August 1979/$1.75

California Journal

THE MONTHLY ANALYSIS OF STATE GOVERNMENT AND POLITICS

The Political Kingmakers of Hollywood

SPECIAL SECTION

Guide to the NEW FUELS

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Personal

PERSPECTIVE

By Ed Salzman

Justice with dignity

The public investigation by the Commission on Judicial Performance into alleged improprieties on the state Supreme Court has made it clear that there is rarely a useful purpose served by governmental activities being conducted in secrecy. If many of the court's proceedings had been conducted in public, the present sad state of affairs would probably not have come about. Some of the justices may not like each other — personally, professionally or politically — but the gaze of the public undoubtedly would have forced them to act with dignity and as adults most of the time.

Would there be any real damage to our system of justice if the high court met in public to decide which cases to accept and perhaps even to discuss the pros and cons of each case following formal oral argument? What's wrong with the public being aware that a case has been sitting on one justice's desk for two or three months?

To the average citizen, it probably wouldn't make much difference whether appellate proceedings were open or closed. That's because most of the banter would be in legalese, not in everyday English. And the actual outcome would not be known until after all the justices completed their work writing opinions. Nevertheless, the public's image of the court would change, and in the present situation there is no place to go but up.

There is another area of government secrecy where the public would understand the language and also has a direct interest — the collective-bargaining process between local government and employee organizations. Here is what happens: The city council or board of supervisors meets behind closed doors to instruct negotiators on how far they can go in offering benefits to employees. Those decisions have a direct effect on how much taxpayer money will be spent each year, yet the citizens are frozen entirely out of the process.

The rationale for the secrecy: If the meetings were held in public, employee groups would have a bargaining advantage because they would be aware of the management strategy. Thus, the public interest is served by privacy. In fact, such a process serves only the employees and the individuals on the governing board, not the public. This is because the unions have friends on virtually every city council and board of supervisors. Labor representatives know what happens in each executive session within minutes after it ends. These groups are prime contributors to local campaigns and information is part of the *quid pro quo*.

The public never does find out which members of the council are the tightwads and which are the free-spenders. Governing boards do not announce these secret votes on bargaining strategy because they want to maintain a theoretical "united front" against the labor organizations. In reality, the only "united front" they are erecting is against public criticism.

The courts and local officials over the years have argued that they could not do delicate work in public. This same argument was used by legislators for many years to keep conference committees closed. But the curtain of secrecy has been removed, and the process is now more dignified and there is less chance of hanky-panky. The general rule ought to be that all government activity should be conducted in public unless there is an absolutely compelling reason to do otherwise.

California Journal
THE MONTHLY ANALYSIS
OF STATE GOVERNMENT AND POLITICS

Volume X, Number 8 August 1979

PRESIDENT AND PUBLISHER
Thomas R. Hoeber

EDITOR
Ed Salzman

ART DIRECTOR
Jan Castle

MANAGING EDITOR
Alice Nauman

WASHINGTON CORRESPONDENT:
Leo Rennert

CONTRIBUTING ARTISTS:
Donna Rivers, Evan Nossoff

CIRCULATION MANAGER:
Barbara Aguirre

STAFF: Hope Tuttle, Caroline Landry, Jacki Robertson

CALIFORNIA JOURNAL is a non-partisan, non-ideological analysis of California government and politics established in 1970 and published monthly by the California Center for Research and Education in Government, a non-profit, tax-exempt corporation.

Indexed in the Public Affairs Information Service and the New York Times Information Bank.

BOARD OF DIRECTORS

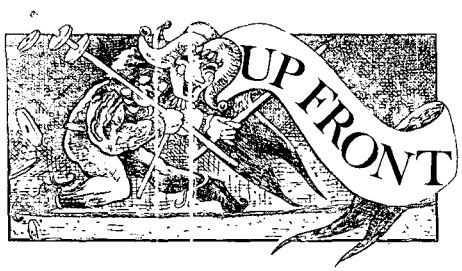
EUGENE C. LEE, Chairman, director of the Institute of Governmental Studies, University of California, Berkeley.
LOU CANNON, western bureau chief, *Washington Post*, Los Angeles.
JUDSON CLARK, California Research, Sacramento.
DORMAN L. COMMONS, president, Natomas Company, San Francisco.
HOUSTON I. FLOURNOY, vice president — governmental affairs, University of Southern California, Los Angeles.
THOMAS R. HOEBER, publisher, *California Journal*, Sacramento.
HAROLD KEITH, investments, Beverly Hills.
ROSELLEN KERSHAW, past president, California Division, American Association of University Women, Fresno.
MELVIN B. LANE, president, Lane Publishing Co., Menlo Park.
DONALD G. LIVINGSTON, vice president, Carter Hawley Hale Stores, Inc., Los Angeles.
EDWIN MEESE III, attorney, La Mesa.
YOLANDA NAVA, news reporter, KXTV Channel 10, Sacramento.
MARCEL B. POCHE, Justice, First District Court of Appeal, San Francisco.
MADELEINE H. RUSSELL, former Democratic national committeewoman, San Francisco.
VAINO SPENCER, Superior Court Judge, Los Angeles.

COUNSEL: Conrad Lee Klein.
AUDITORS: Arthur Young & Company.

Subscription rates: Libraries and Governmental Agencies, $30; Corporations and Associations, $50; Special Individual Rate, $18.

Copyright 1979 by California Center for Research and Education in Government, 1617 10th Street, Sacramento, California 95814. Telephone: (916) 444-2840. Second-class postage paid at Sacramento.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED



Months ago, the rumor being spread by Jerry Brown's office was that President Carter had cut a deal with Saudi Arabia: The U.S. wouldn't scream if OPEC raised prices again so long as enough oil flowed during the presidential campaign to keep American motorists happy. OPEC has since raised prices, and the Arabians have increased exports a million barrels a day.

The Capitol press corps played state information officers in softball. The teams were known as the Flacks and Hacks.

From the state Department of Education comes the news that the typical teacher in California public schools last year received $17,876. Converted into a full-year salary, that's the equivalent of about $24,500.

At a high-traffic point in the state Capitol stood a Department of Water Resources display of drought-tolerant plants. Someone should have told the Capitol gardener. The plants often looked soaked with water.

Want to know why air service within California ain't what she used to be? Take a look at all the planes that used to fly north and south that are now providing service to Las Vegas. Another reason why California should legalize casino gambling?

Former Assemblywoman Pauline Davis, virtually indestructible in her many years as a hard-bitten lawmaker, seriously injured her back falling off a ladder in her Old Sacramento curio shop.

The retirement of Assembly Speaker pro Tempore John Knox of Richmond will have a major effect on the flow of significant bills. Knox for years has been recognized by lobbyists as the single most skilful manager of measures in either house of the Legislature.

Someone in the Sacramento gay community has a terrific sense of humor. A "gay day" press release quoted leader Robert Saphire as predicting no violence because previous problems were started "by the sado-masochistic gays, who won't be in the parade Sunday, due to a Young Republicans' convention in San Francisco."

Cast of cover characters — *from top by rows, left to right: Eydie Gorme, Jane Fonda, Paul Newman, Neil Diamond, Linda Ronstadt, Henry Fonda; Steve Lawrence, James Cagney, Robert Goulet, Shaun Cassidy, James Stewart; Warren Beatty, Robert Redford, Helen Reddy, Pat Boone, Frank Sinatra, Efrem Zimbalist Jr.*

Table of CONTENTS

New this month:

With this issue, the Journal introduces two new features: a lighthearted political column and an open forum on current issues.

Herb-asides 264

Strictly opinion 278

The Hollywood-Washington connection 265

By Michele Willens

The yellow-brick road to Washington now passes through Hollywood, where smart politicians pick up glamorous backers and their bucks.

Hayden, Fonda and Proposition 13 269

By Tom Bourne

Tom Hayden's Campaign for Economic Democracy has made political hay out of renter discontent with Jarvis-Gann.

Special report

The world of gas substitutes 271

By Kathryn Eaker

A layman's guide to the complex issues surrounding alternative fuels: whether they will work, how they can be produced and what they will cost.

Passing the Burger baton 279

By Steven Pressman

The anti-media trend in Supreme Court decisions has fostered a disturbing split between California's judges and reporters.

The Hollywood Park derby 282

By Larry Remer

Even with Gray Davis in the saddle at the Horse Racing Board, Governor Brown couldn't deliver in a heated labor dispute.

Loopholes in the Gann plan 284

By Maureen S. Fitzgerald

Everybody's jumping on the "Spirit of 13" bandwagon – partly because it's bound to win and unlikely to work.

What's an endorsement worth? 287

By Kenneth Rystrom

Budget plus bailout 289

By Ed Salzman

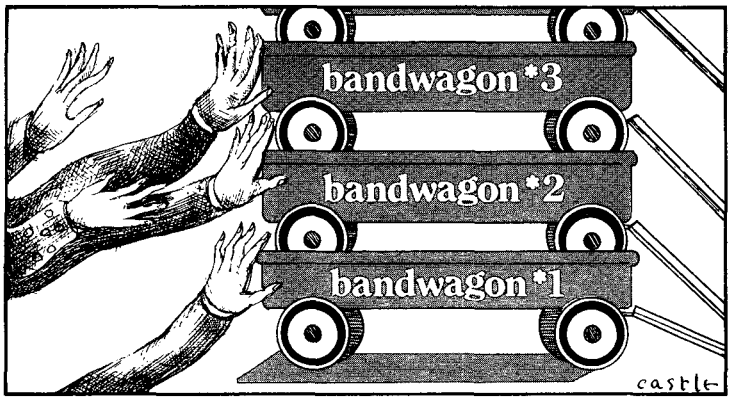
Later than ever and loaded with controversy, the state budget finally emerged from its fiscal and political battleground.

Capsules 286
Newsmakers 286
Roll call 292
Charting the issues 294
Leo Rennert 295

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

HERB-ASIDES

By Herb Michelson



No longer do readers of political news wish to know merely who is running for president. You can watch television and find that out. Or just talk to people who watch television and find that out. The stuff that's not available to everyone, however, is the inside stuff — the stories that tell you who is backing whom, or, if you prefer, whom is backing who. Nobody runs for president without backing, especially not without backing from prominent Californians. No prominent Californian wishes to be caught not backing somebody. This, then, is an exclusive back-of-the-scenes revelation about those backers who, even at this early stage of the 1980 presidential race, are out front.

Jesse Unruh, who once backed the Kennedys, Udall and McGovern, is now backing Carter — unless Teddy runs. If Carter backs out of the race, Jesse Unruh will be in trouble if Teddy doesn't get into it. This would mean that Jesse would back Walter Mondale, especially if Mondale is backed by both Carter and Kennedy, although if Carter were to back Mondale and Kennedy were to back Frank Church, then Jesse would have a problem which could be eased only by the entrance of Udall (or McGovern or Jackson or Jane Byrne) into the race. The way it looks, Jesse will be in the clear only if Jerry Brown is the lone Democratic candidate. In that event, Jesse will back Ronald Reagan. For the good of the Party.

Reagan will, of course, be backed by Mike Curb. Reagan currently is on Curb's A side, with John Connally on the flip side. That's only on the single. If it comes down to an LP, Crane could get a cut. But not the same cut those other guys usually got on Curb's LPs, or so the story goes.

Secretary of State March Fong Eu, who does not make a move (except to Los Angeles) without the advice of Deputy Secretary of State Michael Gagan, is not yet backing anyone, which means that Gagan is not yet backing anyone, except the 4 horse in the third race at Bay Meadows.

The remaining state constitutional officers, Ken Cory and George Deukmejian, will back whoever is left over after Unruh, Curb and Gagan make up their minds, unless you hold the viewpoint, as some indeed do, that no candidate wants the backing of Curb, Unruh and Gagan.

At one time, former Assembly Republican leader Paul Priolo was backing Dole. That was after Weicker dropped out of the race and Benjamin Fernandez had trouble with attendance at his press conferences. Dole was pleased that Priolo was backing him until Priolo no longer had any backing himself — as Assembly Republican leader, as a candidate for the U.S. Senate against Cranston, who is backing Carter, unless Teddy gets in the race, or, frankly, as a person. The latest inside information is that Dole has asked Priolo to back Reagan, which Priolo would be delighted to do if only Reagan would let him.

Meanwhile, state Senate Republican leader Bill Campbell will back whoever Curb doesn't back in the hope that whoever he backs will win the presidential nomination from whoever Curb backs, giving him (Campbell) an immeasurable step (giant) toward the GOP gubernatorial nomination in 1982, unless Deukmejian runs (also). That's why Campbell is flirting with Anderson of Illinois.

In a recent phone conversation, Campbell told Anderson, "You can count on me in California, Congressman."

"Thanks," said Anderson, "but I've never heard of you."

"That's okay," said Campbell. "I've never heard of you, either."

As of the moment, no prominent California Republican is backing Jerry Ford or George Bush. For a time, Senator Hayakawa leaned toward Ford. Until Ford realized Hayakawa was looking for a place to rest.

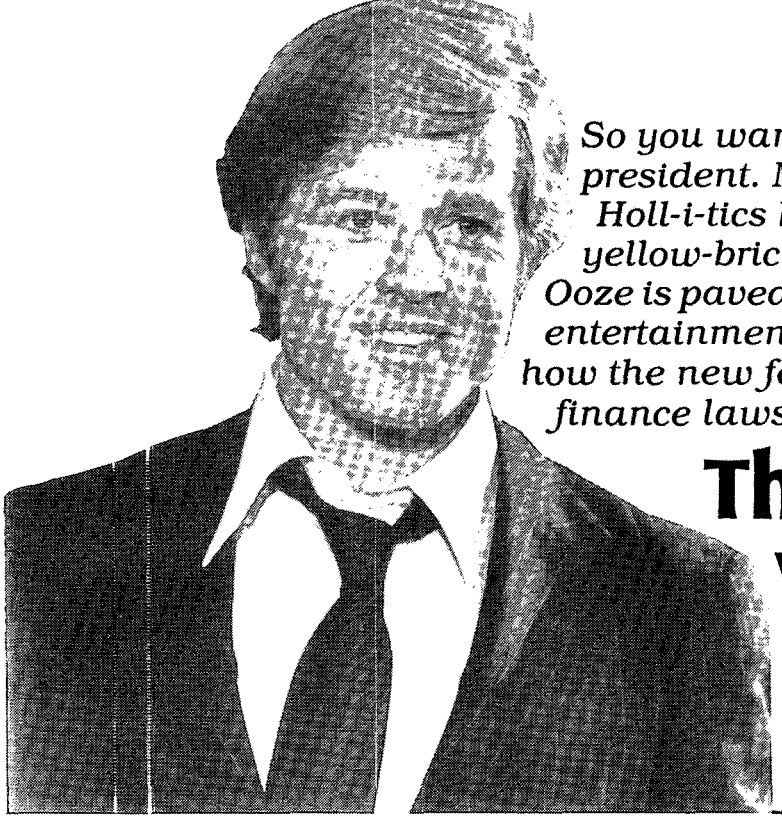
Howard Jarvis, though, was considering endorsing Bush because, Jarvis believes, the former CIA director can find out what's really going on in the state Supreme Court. Or, as Jarvis put it, "A Bush in the hand is worth two of a Bird." Unless he was misquoted.

And this brings us to the key question: Who, if anybody, is backing Jerry Brown? Not Merv Dymally. Not Yvonne Burke. Not Bill Madlock, Clifford Ray, Davey Lopes or John Shumate. Not Sonny. Or Cher. Or Tom Bradley or Dianne Feinstein, both of whom are backing Carter, unless Teddy runs.

Is it possible for a prominent Californian to run for president without the backing of a single prominent Californian? You bet your sweet backing it is. Hiram Johnson managed quite well without the Lakers, thank you.

Herb Michelson is a daily columnist for the Sacramento Bee. *His humorous meanderings through the world of California politics will be a regular* Journal *feature.*

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED



So you want to become president. Master the game of Holl-i-tics because the yellow-brick road to the Land of Ooze is paved with gold from the entertainment industry. Here is how the new federal campaign finance laws have produced.....

The Hollywood-Washington Connection

By MICHELE WILLENS

Jerry Brown tossed aside his jacket and spoke of a non-nuclear future to an approving crowd of 100,000. He was followed by Jane Fonda who spoke of the "fact" of *The China Syndrome* versus the "fiction" of the government. Then, Joni Mitchell and other pop singers found lyrics to match Fonda's and Brown's words.

The date was May 6th; the subject was nuclear power and how to stop it; the location was the Washington Monument, within screaming distance of the house where Jerry Brown hopes someday to live.

What the crowd was witnessing was a visible symbol of the invisible Hollywood-Washington connection, perhaps the most powerful one-two-three punch in politics today: politician, musician, movie star.

There are other, less obvious examples. One day, Paul Newman, Robert Redford, Warren Beatty and Neil Diamond sat on the patio of one of the million-dollar homes in the exclusive Malibu Colony. They were talking with a few high-powered political operatives. People passing by on the beach may have thought they were catching a glimpse of the evolution of a major entertainment coup, perhaps a new film called *Butch and Sundance Meet Clyde*.

They were wrong. Diamond, Beatty, Newman and Redford were actually talking about deregulation and divestiture. The result of the meeting was an anti-oil-company lobbying organization called Energy Action. Today, Energy Action is considered by many observers to be the leading voice for the alternative energy views.

For those in politics, especially people like Jerry Brown who yearn to be president, the connection with the world of entertainment is more crucial than ever. Federal campaign-finance laws place a $1,000 limit on the amount an individual may contribute to a single candidate. This limit puts a premium on those in the extremely wealthy worlds of film and music. More important, a provision of the law on public financing of presidential campaigns has made the political concert about the only way candidates can raise large sums of money and get federal matching funds for them. This has made music stars, in particular, real assets to politicians' campaign teams.

Michele Willens is a free-lance writer in Malibu and a frequent contributor to the Journal.

Glamour and dollars

There are other obvious advantages to having entertainment industry figures involved. They add glamour and excitement to any campaign. They have money of their own to contribute, and they can attract much more from citizens who may care more about seeing a star than hearing a politician.

"People will go see them all over the country," says Jack Ford, son of the former president. "They're just extremely helpful in adding prestige and visibility."

There's something else that adds to Hollywood's appeal to politicians: Unlike money people in other powerful industries, entertainment figures generally ask little in return, except maybe the opportunity to rub shoulders with a senator or have dinner at the White House. Some Hollywood politicking does go on for business purposes. Jack Valenti's Motion Picture Association lobbies on behalf of the industry, and music executives have met twice with President Carter about tape and record piracy. But most entertainment-political encounters are of a personal rather than a professional kind.

Washington is well aware of the impact a politically turned-on Hollywood can have. The anti-nuclear rally, when the stars helped attract 100,000 people to the capital, was only one example. So is Energy Action. During the national debate over Vietnam, many prominent entertainers lined up on both sides of the issue. The fight for the Equal Rights Amendment has benefited from support of many film and television stars.

In 1976, Jimmy Carter's lackluster campaign was born again, thanks to a concert by the Allman Brothers. Jerry Brown's brief run for the presidency that same year was substantially funded — about 40 percent — by the entertainment industry.

But it's not always easy to get entertainment people into the political arena. "There are a couple of things that charac-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

terize show business people, politically," says liberal activist Max Palevsky of Los Angeles. "If they take your phone call, they feel they're fulfilling a great patriotic duty. If they show up some place, they feel they should get a medal. And if asked for money, this terribly pained look comes over their faces as if to ask, 'My mere presence isn't enough?' They need a constant amount of ego massaging."

Backing charisma

"Holl-i-ticking" has come and gone over the years. The industry was deeply involved in the war effort during the '40s, but its enthusiasm for political activism dropped sharply during the Communist-blacklist vendettas of Senator Joseph McCarthy. With a few exceptions, Hollywood celebrities didn't really become politically involved again until Vietnam. Since then, it has been strong issues (like ERA) and charismatic candidates (like Ronald Reagan, Jerry Brown and Kennedy) that have lured the industry's big names into the political arena.

Next year will bring all those candidates and more, plus the new favorite issue of political Hollywood: nuclear power. As a result, Holl-i-ticking will be at its best in 1980.

Because the majority of those in the entertainment industry live and work in California, it's here where politicians have best been able to cultivate and capitalize on the Hollywood-Washington connection. One clear exception was the U.S. Senate campaign in New Jersey of Bill Bradley, whose star-studded campaign came about largely because of his friendships with stars like Dustin Hoffman, Robert Redford and Chevy Chase, all of whom admired his past career as a star on the basketball court.

In 1978, Governor Brown's campaign raised $4 million for his re-election race; a large portion of it emanated from Tinsel Town. The man in charge of Brown's fundraising was Richard Trugman, who left his job with a record company to take the post. Trugman helped bring in large contributions from music executives like Neil Bogart, Joe Smith, Jerry Moss, Jerry Weintraub and Jeff Wald. Hundreds of celebrities, including Michael Douglas, Henry Fonda, Cindy Williams and Helen Reddy, also gave money. The final fundraising dinner of the Brown campaign was, in fact, sponsored solely by the entertainment industry. More than 800 attended, contributing more than $100,000.

Brown is clearly the current favorite among the rich rock crowd, partly because his girlfriend, singer Linda Ronstadt, is one of their own. Also, as one Brown aide says, "The music folk get a charge thinking they might be rapping in the Oval Office one day."

There's another big reason: They think Brown has a hit record on nuclear power. Many rock artists, including Ronstadt, have been on the anti-nuke issue a long time, and Graham Nash, Jackson Browne, Bonnie Raitt, the Eagles, James Taylor and many others pledge to keep doing non-nuke concerts. The only presidential candidate likely to sing along with their theme is Jerry Brown.

Curb's connections

Lieutenant Governor Mike Curb made liberal use of his show-business connections in his successful campaign last year. He called on many former clients for help, including Pat and Debby Boone, Shaun Cassidy, the Osmonds, Wayne Newton, Steve Lawrence and Eydie Gorme, Robert Goulet, John Wayne and Jimmy Stewart.

"Initially, the entertainment industry was very important," says Curb. "They added focus to my campaign. And I hope we proved that the music industry is not all liberal."

"I'd say his friends in entertainment got Curb elected," says John Sears, one of Ronald Reagan's top operatives. Sears is already trying to drum up some of that same support for Reagan, and the real star wars of 1980 may be

between Brown and Reagan.

"We've already got people like Frank Sinatra, Irene Dunne, James Cagney, Pat Boone and Jimmy Stewart committed," says Sears. What Reagan backers don't have yet are behind-the-scenes Holl-i-tickers who can produce and perform in the big-money concerts that Brown's friends can stage.

Probably no recent candidate or issue brought more Hollywood people out of the political closet than the "No on 6" campaign last November. Defeat of that initiative (to ban homosexual teachers) effectively halted the drive for similar anti-gay measures across the country.

"I'd say 40 to 50 percent of the financial support for 'No on 6' came from the entertainment industry," says David Mixner, a coordinator of the campaign.

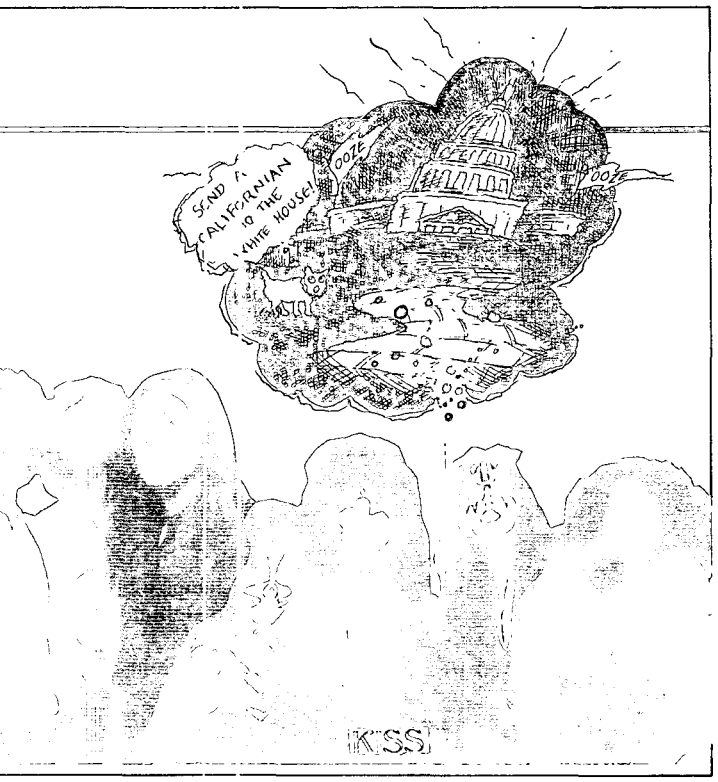
Another recent Hollywood political production is already being duplicated in New York. Calling themselves Democrats for Change, hundreds of former Carter supporters, including many from the entertainment industry, took out full-page ads in the Los Angeles papers to criticize Carter's leadership. Democrats for Change was partially spearheaded by Hollywood figures, including producer Norman Lear, studio executive Ted Ashley and his actress-wife, Joyce Easton. Those signing the ads included Erich Segal, Tony Bill, Jane Fonda, Hugh Hefner and Burt Lancaster.

Even a local congressional race in West Los Angeles recently brought out the stars. Republican Robert Dornan got John Wayne, Gene Autry and Pat Boone to help him win re-election. He barely defeated the son of Gregory Peck, Carey. The senior Peck managed to call on friends like Liza Minnelli, Milton Berle, Kirk Douglas and many others to stump for his son.

Fonda's funding

Tom Hayden and Jane Fonda's grassroots organization, Campaign for Economic Democracy, has received more than a good-luck shove from Fonda's own industry. "The primary source of funding for CED comes from concerts and the entertainment industry," Hayden admits.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED



Fonda is probably the only Hollywood celebrity with a political organization around her. Even though CED has major entertainment industry support, Fonda still feels her Hollywood peers are slow to emerge. "In general," she says, "people only take action when an example is set and when the issues are very clear. Certain issues like that are emerging. Solar-versus-nuclear power is one. So is environmental cancer. I think you'll see a tremendous amount of entertainment industry support on those issues.

"I think of this as the end of an interim period when there wasn't much political activity in Hollywood, really since the (Vietnam) war," Fonda says. "But I think people are remembering our past record on that, which gives them enough confidence to take stands again. It's made sense before."

Fonda and Hayden have been carefully courted by Jerry Brown. He has appointed Hayden to two commissions (border control and solar energy) and Fonda to one (arts commission). The Governor shows up faithfully at openings of Fonda's movies and one night recently, he and Linda Ronstadt were seen knocking at Hayden and Fonda's door after midnight. The unexpected visitors were finally let in.

Fonda will be among the most active Holl-i-tickers in 1980. Although they say they're undecided now, she and Hayden will most likely help Brown. Their CED organization will campaign actively for candidates who take their anti-big business, pro-solar stands. Already, the group helped pass rent control in Santa Monica, where Fonda and Hayden live. (See following article.)

Perhaps the only other entertainment industry couple that will be equally active in 1980 is singer Helen Reddy and her husband-manager, Jeff Wald. They have contributed more than a million dollars to candidates across the country, mostly Democrats. But their big love affair has always been with Jerry Brown. Wald is likely to play the kind of role in Brown's presidential campaign that Warren Beatty played in George McGovern's in 1972, leaving his job to do nothing but gather entertainment support for the campaign.

Wald says he thinks $15 million can be raised for Brown within the music industry alone, and he says he's the guy to do it. A tough-talking, volatile, diminutive man of 36, Wald turns off a lot of people. ("Jeff doesn't think," says another record executive. "He just wants to be buddies with a president.") But Wald is generous with his money and is frank about why he likes the hardball game of Holl-i-tics.

"Show business may give you ego gratification," he says, "but it's money that gives you real power. It's allowed me to not be helpless and to get things done. It allows me to use my leverage and quite definitely I do it. I don't ask favors from anyone but I have the power of money and access, and Helen has the power of visibility."

Some say Wald doesn't ask for favors — he demands them. One story has him twisting the arm of Los Angeles Mayor Tom Bradley on the eve of the mayor's decision on a local private school. (The decision affected another school attended by Wald's children.) Wald spoke with the mayor and allegedly reminded him of past contributions. Bradley surprised many people with his pro-Wald vote. Wald only says: "He did it on the advice of homeowners' groups, not just mine."

Wald wants to see new people on top and he wants them to know his name. "There's a new generation of politicians all over the country," he says. "People like Brown and Dennis Kucinich. They're going to be very important."

Wald is heavily courted by politicians. Even President Carter, whom Wald met and "distrusted on sight," appointed him to a government committee. But Wald and Reddy are determined to ride with Jerry Brown to the White House.

Kiss and Cher

Aside from Wald-Reddy and Fonda-Hayden, others of this new breed of music-movie politicos will be moving around in 1980. Neil Bogart, head of Casablanca Records and Filmworks, also has started giving big hunks of money to causes, most notably Brown and "No on 6." He's also been able to get his company's artists like Donna Summer, Kiss and Cher to think past their next gold disc and to get involved for the first time.

Bogart clearly enjoys being close to those in the world of politics. An associate describes his new enthusiasm this way: "He was a poor kid, and this is like going to the right houses."

Bogart's own house has already served as a place for the Washington-Hollywood connection to operate. About $80,000 was raised there for a party for Brown, and another "strictly-social" gathering was held there for Jerry Ford. Jack Ford is a friend of Bogart's and concedes that Bogart has discussed young Ford's possible political future. Generally, though, Bogart seems to lean Democratic.

Jerry Moss, of A&M Records, has contributed heavily to Democratic campaigns for years, as has Joe Smith of Elektra-Asylum Records. Smith, like Bogart and Wald, has that extra golden touch: being able to get his artists to perform for a cause.

"I've been trying to get artists to do one thing for someone else every year," Smith says. "They make an obscene amount of money, and I think they should have some kind of social responsibility."

Smith says he's already been bombarded with calls from the Brown and Carter camps for his help in 1980: "I know both and have been involved with both. I'll just have to be even-handed and give to both."

Even though he's flattered to be called by politicians, Smith says he also feel slightly used at times. "These politicians carefully court the music world during the campaign," he says, "then pretty much ignore us until four years later. There is a thin layer of resentment among some of us."

Music managers Jerry Weintraub and Irving Azoff have also become towering figures in Holl-i-tics, giving substan-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

tial amounts of money (recently to Brown) and proving effective in putting on concerts. Both Weintraub and Azoff are already tuning in to Alan Cranston's upcoming reelection campaign. Jeff Wald and Helen Reddy are also active in that one; Cranston's campaign will feature several concerts and a multitude of stars appearing at events. The national finance chairman for the campaign is Lew Wasserman, the enormously wealthy chairman of MCA which owns Universal Studios. Wasserman has been a big political contributor, mostly to Democrats, and raises large sums for the Democratic Party.

"I don't think he raises as much or moves people as well as others think," says one Democratic operative, "but there's a myth about him and myths are important in politics."

What isn't a myth is that Wasserman likes to be close to political power, and he has been for more than 20 years. To keep those friends in high places, Wasserman plays both sides of the fence. He won't take sides in Democratic primaries, and tries not to alienate anyone. "I give them all money and wish them well," he says.

But he doesn't necessarily back Democrats, particularly if one appears to be a sure loser. He did not support McGovern, for example.

Wasserman refuses to discuss his relationship with any president, but he has a close one with Carter. It will be interesting to watch him in 1980. While he says he supports Carter, will he be able to refrain from helping Brown, too, just in case the governor should become president?

Other movie men have become important forces in the world of Holl-i-tics. Warner Brothers Chairman Ted Ashley, who once gave more than $300,000 to Richard Nixon, learned to regret that decision and now contributes heftily to Democratic candidates and causes. One of the movers behind Democrats for Change, Ashley says he's totally disenchanted with Carter. He'll play a role of some sort in the Cranston campaign.

Producer Norman Lear, also helping the Cranston effort, has long been involved with politics. "I've always felt I was a citizen first," he says, "even when people asked what someone in our business could know about politics. The only difference now is that politicians take my phone calls."

Lear isn't sure where he'll be in presidential politics in 1980, insisting he's not part of any dump-Carter movement. "I think we desperately need changes in our leadership, and I'd accept those changes from Carter."

Few stars, except for Fonda, keep up political activity on a full-time basis. Warren Beatty hasn't been involved politically since 1972. ("You have to pull in and out of politics," he has said. "It's constant compromise.") Those who have worked with Beatty on the campaign say his talent is in dealing with other stars. But give a dime? "During the McGovern campaign," says one man who worked with him very closely, "when someone would ask him for money, he'd say, 'Do you know how much I could be making if I wasn't doing this?' "

In contrast to Beatty is Paul Newman, who is more committed to issues than candidates. Newman prefers to stay out of the limelight and has probably contributed more money to political causes than anyone in Hollywood. He has given many thousands of dollars to Energy Action. When he was told about a proposal for a nuclear war conference, Newman quietly wrote out a check for $50,000 to underwrite it. Sometimes uncomfortable with his lack of ability to articulate the issues, Newman nevertheless served as a delegate last year to a special U.N. session on disarmament.

Robert Redford is also an issues man, and his favorite is ecology. Marlo Thomas, another political activist, concentrates on women's issues. She speaks all over the country for candidates who are committed to women's rights. "I get a spotlight on me, then I turn it over to the candidates," says Thomas. "I won't change votes but people will listen to me. I've found that people are impressed when stars get involved because they know it's hard for us to take the time to do so." Right now, Thomas' choice for 1980 is Ted Kennedy.

The feeling is mutual

Aside from Reagan's friends, most of the active Holl-i-ticking (going beyond writing a check or making an occasional appearance) next year will lean left. State GOP Chairman Truman Campbell says that doesn't matter. "I don't think entertainers are a political force," he says. "Gregory Peck couldn't even get his son elected." Yet Campbell says his party is looking into using more California Republican entertainment figures in the 1980 campaigns.

Even though it has often needed a shove to get involved with politics, Hollywood has always held a fascination for the politicians, and the feeling is mutual. Senator Cranston says he never had better response from senators than the time he invited them to attend a party for the cast of the television show "All In The Family."

Paul Newman was once meeting on energy matters in the White House with a friend and an aide to Hamilton Jordan. Word got out that Newman was on the premises, and President Carter's secretary soon excitedly escorted Newman to the Oval Office. There, the movie star and the President made uncomfortable small talk for a few moments.

"The attraction between the two worlds is they're both major power bases in the business of exposing themselves," says Francis O'Brien, former Mondale aide and currently assistant to the president of Paramount Pictures. "But there isn't much mingling between the two worlds and what there is, is superficial. What would they talk about? Politicians don't go to movies and Jimmy Carter's not going to ask Henry Winkler about SALT."

While Carter may not ask the Fonz about defense and Jerry Brown may not ask Helen Reddy about the state budget, they will be asking those people and their wealthy friends for their money, their names and their time in 1980. Ronald Reagan will be doing the same, as will just about any other political candidate with dreams of high places. They know that if they can make the Hollywood-Washington connection, they can go all the way.

The ideal way
to store your Journals

Sturdy and attractive Journal binders are now back in stock and available for immediate shipment. These binders are made from the finest quality buckram and are stamped with gold-foil letters. They are available for the years 1970 through 1980 (also blank) and each binder contains enough space for a full year of magazines plus the annual index.

The price for each binder is $7.42, including sales tax. Shipping and handling are free only on prepaid, Visa and Master Charge orders. (Annual indexes are $2.50 each.)

Send your binder orders to the California Journal Press, 1617 10th St., Sacramento, 95814.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ALONE ON THE LEFT

The Prop. 13 boost to the Hayden-Fonda team

By Tom Bourne

"A bunch of socialists" is the way Howard Jarvis chooses to characterize Tom Hayden and his Campaign for Economic Democracy. Paul Gann, co-author with Jarvis of Proposition 13, is no more charitable. He accuses the CED of promoting the philosophy of "You make it, we take it."

Ironically enough, it was Jarvis and Gann's own Proposition 13 — which promised but failed to deliver relief for tenants — that paved the way for the CED's most successful election campaign to date: the rent-control measure passed by Santa Monica voters in April. Ruth Yannatta and Bill Jennings, both backed by the CED, rode the crest of Santa Monica renter discontent into two seats on the city council.

The victory came as no surprise to Hayden. He has been predicting that a broad-based coalition, centered around economic issues such as high rents, would grow, ever since he captured 37 percent of the vote in his bid for John Tunney's U.S. Senate seat during the 1976 Democratic primary. The official birth of the CED came in the fall of that year, and by November 1977 its headquarters had been established in the historic Bradbury building in downtown Los Angeles.

To form the nucleus of the CED, Hayden relied on the 14 statewide Hayden-for-Senate groups, which had indicated their desire to stick together after the election. Sam Hurst, Hayden's press secretary during his primary campaign, assumed the position of staff director. Then Hayden, along with wife Jane Fonda, Congressman Ron Dellums and United Farm Workers' President Cesar Chavez, sent off a letter to a list of prospective members, asking them to join a coalition that hoped "to change the face of power in California over the next decade."

From his experiences in the antiwar movement, Hayden knew there was a limited amount of public appeal in just being "against" something — in this case, the power of the big corporations. So from the beginning the CED set out to offer positive programs: the promotion of solar energy, tenant rights, the establishment of a state bank. Hayden's motives were not entirely selfless; he clearly hopes to run against Senator S. I. Hayakawa in 1982. With actress Fonda drawing crowds that Hayden could never otherwise have access to and the CED bringing together grassroots support, Hayden is serious about his second try for the Senate.

Early losses

The CED failed in its first ventures into electoral politics. In 1977, Beth Meador of the 13th Assembly district and Ruth Yannatta of the 44th, both backed by the CED, lost primary bids. The narrow defeat of Yannatta by Mel Levine was a particular blow for the CED: she is the wife of Hayden associate Derek Shearer, and Hayden campaigned for her personally.

But then came Proposition 13 and the rent-control issue. CED-backed candidates have now won city council seats in Bakersfield, Chico and Berkeley as well as Santa Monica. To raise money for its dozen campaigns and other activities thus far, the CED has relied on these methods:

- ***Contributions from members.*** There are 5,000 members of the CED in California, each paying $15 per year. For this they receive the *CED News*, announcements of upcoming meetings and rallies, and opportunities to stay at the Hayden/Fonda ranch in Santa Barbara.
- ***Door-to-door canvassing.*** Using student workers primarily, the CED estimates that it can reach as many as 100,000 people during the summer months. Canvassers give a short pitch about the CED and its positions on nuclear

Tom Bourne is a free-lance writer in Santa Monica.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

plants, housing and energy, then ask for a donation. According to Tim Murrin, a CED grassroots organizer, a crew of which he was a member recently raised $1,800 in seven days.

• ***Special events.*** The CED regularly holds fundraising concerts, using a stable of rock stars such as Jackson Browne, Bonnie Raitt, the Grateful Dead and the Doobie Brothers. At each concert the CED sets up tables and distributes leaflets; during the intermission, Hayden makes a speech.

• ***Celebrity affairs.*** The most successful of these was Jane Fonda's "Plug into the Sun and Phase Out Nuclear Energy" celebrity fashion show at the Beverly Wilshire Hotel in May. The event raised $35,000, at $50 per person. Another $30,000 was raised in a celebrity auction; Fonda auctioned off the hat she wore in the movie "Julia" and other items.

The CED claims — contrary to popular belief — that the organization does not rely on Fonda to write out a check to cover its monthly expenses. Individual chapters raise funds with events like "Jane Fonda Film Festivals" at the local theaters. These can raise as much as $6,000, and the proceeds are split between the chapter and CED headquarters. Fonda is also opening the "Workout," an exercise studio for women in Beverly Hills. Profits will go to the CED.

Salary equality

The staff operates on a monthly budget of $22,000. Its 17 paid members are almost all under 30. Each of them, from the clerk-typist to Hurst himself, receives the same salary: $800 per month. Hayden draws no salary from the organization.

Michael Dieden, who joined the CED in January 1978, serves as its political director. He works directly under Sam Hurst and is responsible for candidate selections, graphics, strategy, polling and demographics. When Dieden feels that a candidate is worthy of CED backing, he reports to the statewide steering committee. Selected from chapter members, the committee meets four times a year to choose candidates and decide on broad policy matters. Dieden looks for candidates "who have staying power — somebody who has run and lost, run and lost." One such candidate: Jane Dolan in Butte County, who was defeated twice before finally being elected to the board of supervisors.

The CED places heavy emphasis on formation of new chapters; there are now 30. To form one requires 10 dues-paying members who are willing to walk precincts, distribute leaflets and attend rallies. The CED now has 400 of these activists in the state. "We can get 150 to 300 people out in the community for a campaign," comments Dieden. "Not very many other organizations are able to do that." Less active CED chapter members can be counted on for vigorous phone campaigns and letter-writing efforts to members of the Legislature on behalf of issues like a "Tenant Bill of Rights," regulation of toxic pesticides and solar energy.

Hayden's personal relationship with Jerry Brown has helped CED in some areas. Brown has been most responsive on issues of housing, energy and nuclear power. Hurst claims that Brown attended the May 6th anti-nuclear rally in Washington because Hayden urged him to go. CED also persuaded Brown to attend a town hall meeting in Los Angeles with 500 renters last December, to discuss their problems. After yet another meeting in May with Hayden and five anti-apartheid student activists, Brown recommended that the University of California divest itself of some stock in corporations that do business in South Africa.

While several solar energy bills were pending in the Assembly, Brown created the SolarCal Council by executive order and named Hayden to it. Eight out of 13 proposed measures got through the Legislature. Bob Mulholland, who works as the CED's full-time lobbyist in Sacramento, does not believe that Brown's support guarantees anything for the CED. "The legislators don't have a great love for the Governor," says Mulholland. "Sometimes his backing helps and sometimes it doesn't." Brown did make some personal calls to individual legislators supporting the just-cause eviction and retaliatory eviction portions of the tenant-rights package, according to Mulholland.

An Awkward approach

In light of the CED's strong emphasis on member growth, it is surprising to note Hayden's sometimes awkward approach toward potential supporters. At the end of the celebrity fashion show at the Beverly Wilshire Hotel, he came forth to announce that he had never been to a fashion show before — and that "the Establishment has always used fashion as a decadent diversion from the real issues." It struck a strident note in a crowd that had just been wowed by a silver-sequined Cher; they booed him for it.

CED's major problem is a lack of money. It exists in a rather solitary position on the left, so demands are continually made on CED to get involved in issues for which it lacks financial resources. During the May gas crunch, the CED received about 20 phone calls a day from people, irate with the oil companies, demanding action. All Hayden could do was to call a "Rally for Gas," in which he advocated turning the oil industry into a public utility as a first step towards nationalization.

To help resolve its financial difficulties, the CED will move within a year from the Bradbury building to a nearby warehouse. There it wants to become as self-sufficient as possible by purchasing its own printing and computer equipment. "We raise all this money," laments Dieden, "and then we have to turn around and pay it out again to printers and other outside services."

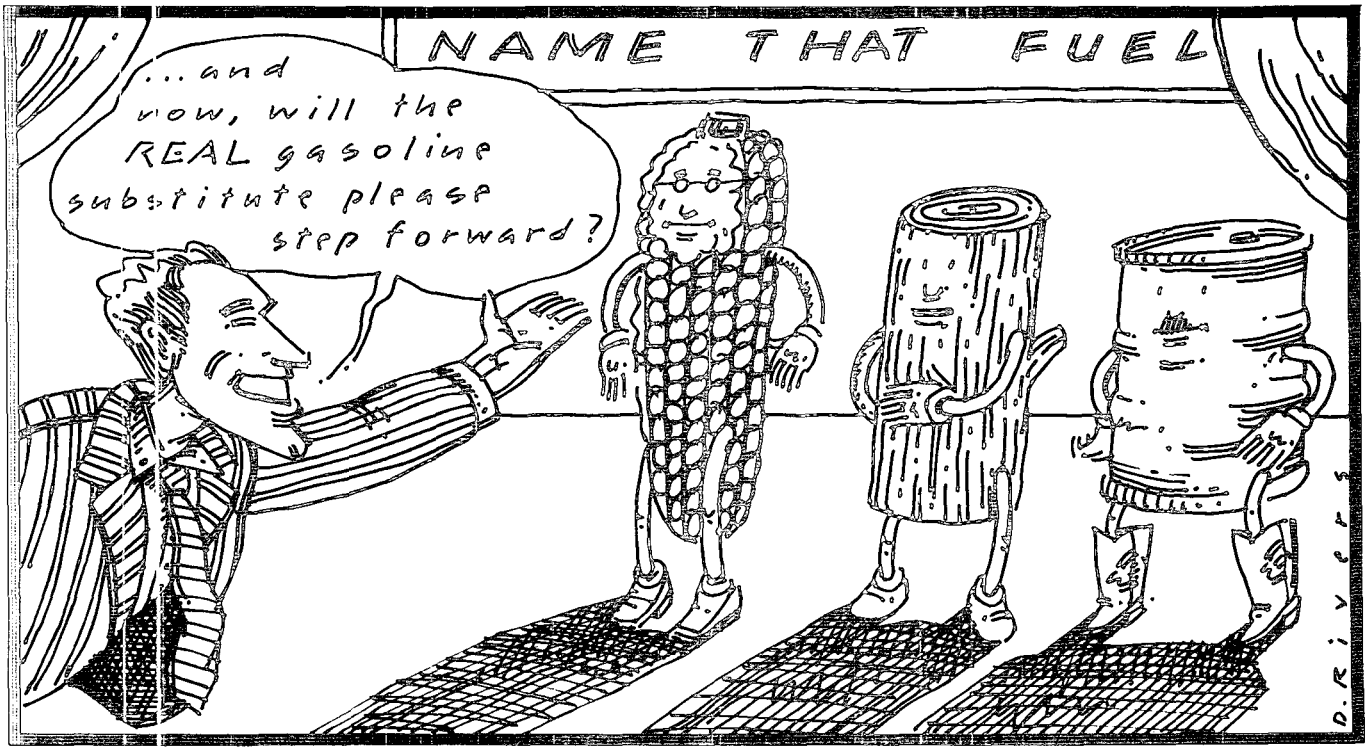
KEY CED OFFICERS: **Tom Hayden,** chair; **Sam Hurst,** staff director; **Michael Dieden,** political director; **Bob Mulholland,** lobbyist; **Janet Kagan,** press coordinator.

CENTRAL CED OFFICES: **Los Angeles:** 304 S. Broadway, Suite 501, 90013; (213) 626-0311. **San Diego:** 3000 E Street, 92102; (714) 234-0106. **Sacramento:** 1107 9th Street, Forum Building, Room 914, 95814; (916) 447-5666.

In October, the CED will sponsor a national tour of 30 or 40 cities in six key primary states. Along with Hayden and Fonda, such liberals as Congressman Dellums, Doug Fraser of the United Auto Workers, Gloria Steinem and Bella Abzug will address themselves to the CED themes of energy, housing, food and medicine but will endorse no candidates. The CED eventually hopes to go national; it sees the tide of recent events — Three Mile Island, the gas crisis, skyrocketing rents — as evidence of a natural historical progression that will ultimately vindicate the CED. Indeed, Hayden's stated thesis is that "the radicalism of the 1960s is the common sense of the '70 s."

Can this be translated into political power in the '80s? Or is CED just a small band of hangers-on from the ashes of the New Left? Those are questions that have yet to be answered.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED



GUIDE TO THE WORLD OF GASOLINE SUBSTITUTES:

Ethanol — too expensive? Methanol — too inefficient? Heavy Crude Oil — too polluting?

By KATHRYN EAKER

Responding to motorist demand and outraged at the latest price increase from the OPEC nations, legislators in Sacramento and Washington are joining the crusade to put alcohol fuels into California gas tanks. Gasoline supplies no longer meet demands, even with skyrocketing pump prices. It is being accepted as gospel that not many years will pass before there will be a drastic drop in the availability of crude oil. In California, the Brown Administration is pushing gasohol — 90 percent gasoline and 10 percent ethanol (or drinking alcohol). In the Legislature, the main emphasis is on methanol — another form of alcohol that can be made from almost anything but which cannot now be used legally as a gasoline substitute because of federal restrictions. A former legislative consultant, Chuck Stone, has converted an automobile to 100 percent methanol and proved that it works. (See box.)

But there are also other possibilities — natural gas, which now is available in more-than-ample quantities; coal, which can be converted to gasoline or methanol; garbage and other waste products, which can be converted to fuels at a high-energy price; and perhaps the most tantalizing alternative of them all — California heavy crude oil, which has thus far been too expensive to refine into gasoline.

Kathryn Eaker is a free-lance writer in Sacramento.

Here is a guide to the various fuels and an explanation of why government and industry have not yet undertaken crash programs to bring them into the neighborhood service station:

Ethanol

Ethanol, or ethyl alcohol, is made either by fermentation of various agricultural plants (mainly wheat, corn or sorghum) or by a synthetic chemical process: hydration of ethylene derived from petroleum. Either fermented or synthetic alcohol can be used to make gasohol.

Fermented and synthetic ethyl alcohols are chemically identical: Either can make a fine martini. However, shortly after the repeal of Prohibition, the farm lobby successfully pushed for legislation that sanctioned only fermented alcohol in beverages. Now gasoholics want to see fermented alcohol pumped into gas tanks, in addition to the industrial market where it is already used as a solvent, in lacquers, tinctures, toilet and drug products, rubbing alcohols and for sterilizing surgical instruments. It works fine as a motor fuel in both automobiles and airplanes, but there are basic problems of economics and energy.

Here are some of the big questions to be answered:

- ***Is ethanol economically viable?*** According to the U.S. Department of Agriculture, a national gasohol pro-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Chuck Stone, the methanol man

"You either love the guy or you hate him," said a legislative staffer about Chuck Stone, until recently the state's unofficial missionary for alcohol fuels. He is given general credit for recognizing the need for the state to develop alternative fuels and for identifying the potential of methanol. He pushed politicians to the limit. In the end, he was sent packing for his zeal.

Dr. Richard Pefley, alcohol fuels expert from the University of Santa Clara, claims that most lawmakers had never heard of methanol until Stone came to the Capitol. "They even called it methadone and methane," according to Pefley. "At least they're calling it methanol now." But Stone was insensitive to the rules of the political game. He painted every issue only with blacks and whites. When his contract expired, he was not offered a new one.

In 1973, Senator Bill Greene of the Watts area of Los Angeles, then an assemblyman, brought Stone out of the aerospace industry to Sacramento as a consultant on Greene's Select Committee on Manpower. Greene liked Stone's idea of putting unemployed aerospace engineers to work on an alcohol-fuels program. Greene thought that this would ultimately produce jobs for his Watts constituents.

Too hard, too fast

But Stone's schemes ran into trouble in the Legislature because they were viewed as kooky — or even more far out than that. Then two years ago, Assemblyman Dan Boatwright, chairman of the Ways and Means Committee, obtained $44,000 for Stone to build a car powered by methanol. Pefley feels that Stone's job of converting (in 18 months) a conventional auto into a methanol car with a 14-1 compression ratio rates as a remarkable achievement.

The methanol car could have been a big plus for both the 43-year-old Stone and the alternative fuel campaign. But Stone may have blown it by pushing too hard and too fast. He divided the world into two groups, those for him and those against him — and those who were against him were in league with the oil companies. He lost his temper with "shiny-pants bureaucrats who won't get their hands dirty, who won't commit to a schedule."

Going public

And then he committed the cardinal sin. He went public: radio talk shows, television, newspapers, magazines. He used the media to publicize his views and to take potshots at legislators whose worst crimes were that they didn't agree with Stone. In the media, he became bigger than his bosses. And that alone is grounds for dismissal in the ego-conscious world of politics.

Stone is so zealous that he finds it almost impossible to recognize that there are problems with alcohol fuels. He claimed a car could be converted to methanol for $200, but he neglected to add that the owner would have to have a machine shop and the technical knowledge of a Chuck Stone. (Otherwise, the cost is about $1,000.) He bragged about how smog-free his methanol car ran, but he never submitted it to the Air Resources Board or the University of Santa Clara for testing, as required by legislation. He claimed that methanol could be produced in vast quantities at a lower cost than gasoline, but he glossed over deficiencies in current technology.

Past history

The methanol car is now past history for Stone. He did get the ball rolling, which he says was his prime mission. Scarred but still combative, he now hopes to establish a major business producing four-cylinder commuter cars running on pure methanol — if and when the federal government approves methanol as a fuel. The vehicles, not designed for distance travel, will first be sold for business fleet use. He calls his demonstration model "The Liberator." He is also working on an airplane to run on ethanol. He calls the Piper Cub "The Spirit of '76."

Stone admits he hasn't invented anything; instead, he collects technology and puts the pieces into a system. He might have accomplished a great deal had he taken the same approach in his dealings with the politicians in the Capitol. But then, Chuck Stone isn't interested in reform. He wants a revolution. *K.E.*

gram (10 billion gallons of ethanol blended with 90 billion gallons of gasoline) would require a $10.4 billion *annual* subsidy.

That is because the current wholesale price for ethanol ranges from $1.20 to $1.49 a gallon. (Gasoline has been selling for 67 cents a gallon wholesale.) ADM, a Midwest corn-sweetener producer which produces ethanol as a plant byproduct, recently offered to sell ethanol to California for $1.78 a gallon, delivered by rail. One Midwest agricultural economist compares extending gasoline with ethanol to extending hamburger with filet mignon.

Midwest Solvents, an independent grain processor with sales approaching $40 million a year, has processed grain and distilled it into alcohol for 36 years. Cloud L. Cray Jr., the firm's president, believes he has achieved all possible economies of scale, and yet he has testified that he cannot produce ethanol that is cost-competitive with gasoline.

Skyrocketing oil prices do not narrow the gap very much because fossil fuels are needed to produce ethanol. Last year Cray claimed that, estimated conservatively, it takes 2.72 to 2.87 times more energy to produce one gallon of ethanol than that gallon contains, and that figure does not include the energy used in producing the crop. Critics insist that ethanol cannot be considered a renewable fuel unless the energy contained in a unit of ethanol is greater than or equal to the energy expended in producing that unit.

• ***Can ethanol reduce dependence on foreign oil?*** Proponents say yes, but some economists doubt it seriously. Leonard W. Schruben, agricultural economist at Kansas State University, sees it this way: "Every gallon of alcohol used for gasohol production would require an increased import of more than a gallon of oil for use somewhere in the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

industrial complex. If more fossil-fuel energy is used than we get back in alcohol, how can that relationship reduce dependence on imports?"

Schruben also discounts the argument that, regardless of economics and energy deficits, ethanol is a valuable fuel because it comes from a renewable source. Crops, Schruben says, are only as renewable as plant nutrients in the soil will permit. Those nutrients must increasingly be replaced by nitrogen fertilizers made with large quantities of natural gas. And phosphate beds and potash mines are limited. "Look at areas of the world that once were highly productive and now are barren. The soil nutrients were removed by plants as surely as coal can be removed with pick and shovel."

Last year Midwest Solvents won a $15 million federal loan to build a pilot plant in Santa Rosa, Texas, to convert sugar cane to ethanol. President Cray is still cautious; he invested $6 million of his own capital, but there is no guarantee that federal subsidies in the form of tax waivers will last. Of gasohol's future, Cray says: "I'm afraid it's going to bust when people find out how much it's going to cost without the subsidies."

• ***Can Brazil's successful use of alcohol fuels provide a model for the United States?*** Brazil has minimal domestic sources of oil or other fossil fuels. It also has the largest sugar industry in the world — and in a depressed sugar market. Unlike the United States, Brazil has ample arable land to expand production, a favorable climate and cheap agricultural labor. The fuel used in processing the cane to alcohol is not gas or oil but the fibrous portion of the plant, the leaves, and vegetation from Brazil's vast jungles. Then, too, Brazil isn't concerned with environmental impact statements: Still slops are dumped directly into waterways. (For every pound of ethanol, about 10 pounds of highly polluting stillage is produced.)

• ***Is there a role for ethanol on the national scene—or in California?*** Despite a grass-roots interest in gasohol, the Department of Energy says the short-term potential of gasohol is limited by availability of ethanol. (Only about 30 to 50 million gallons of ethanol is produced a year — less than five-hundredths of 1 percent of the gasoline use.) But because a gasohol program will not work on a national scale does not rule out possible success on a regional basis. To meet fuel needs, possibly a farmer could use 10 percent of his production, or could plant set-aside land, to run through a cooperative or existing distillery. This could mean vital energy independence for farmers.

In California, interest in ethanol is running high. But if all the state's land now held out of production were planted and all the grain now grown in the state were also processed with the best possible conversion techniques, there would be only enough ethanol to meet Californians' transportation needs for one week. Grains have excessive land requirements; starch crops are uneconomical. Sugarcane is the highest yielding crop for ethanol production, but California's climate is not suited to it. Realistically, ethanol could only augment gasoline supply in the most modest increments.

Yet in June the California General Services Department began using gasohol in its 4,500 vehicles — at least those used in the Sacramento basin. The state placed a one-time order with Georgia-Pacific of Bellingham, Washington, for 8,000 gallons of 200-proof ethanol. (Because Georgia-Pacific processes wood chips, using wood waste as fuel, and because the ethanol is a byproduct of their pulp industry, Georgia-Pacific claims it achieves a 1-1 energy ratio.)

The state is blending the ethanol at the state garage, but officials are negotiating with Chevron, the present gasoline contract holder, to blend future state purchases at the Chevron sub-station before delivery. That way the mixture will blend itself as it sloshes its way to the garage.

Next, the state will let a competitive bid for 150,000 gallons of ethanol. A General Services spokesman admits they expect some vehicle incompatibility with the use of ethanol: Some parts may deteriorate, corrode, leak and need adjustment or replacement. But an advantage of using gasohol in "captive" fleets is that mechanics and equipment are available to deal with problems as they arise. Another advantage is central source distribution.

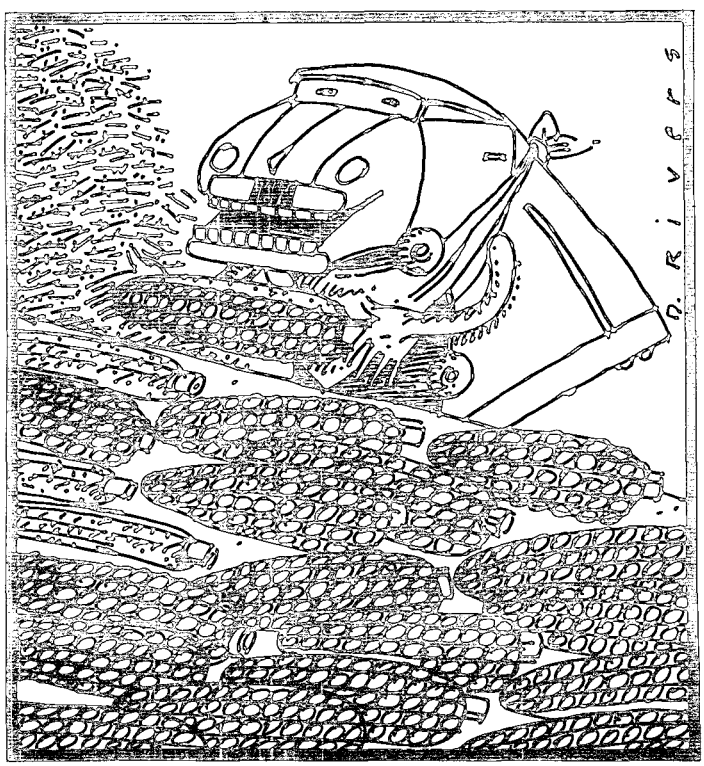
California pays Chevron 65 cents a gallon for bulk gasoline delivered to the garage. It is paying Georgia-Pacific $1.53 a gallon for ethanol to extend that gasoline. But economics is not the issue: The Brown Administration wants to create a market for alcohol fuels and, by example, encourage others to use them.

• ***Is ethanol less polluting and more fuel-efficient than gasoline?*** Vehicle emissions are an unresolved ethanol issue. The exhaust emissions are much cleaner than those from vehicles using gasoline, but the engine emissions — unburned ethanol and substantial amounts of aldehydes — are 50 percent higher. Fuel economy figures also vary. Environmental Protection Agency tests using 10 percent ethanol blend showed a 2 percent decrease in miles-per-gallon. One short-term test of gasohol by the Illinois Department of Administrative Services indicated a 9 percent higher fuel consumption than with pure gasoline. But many proponents of ethanol claim an increase in fuel economy.

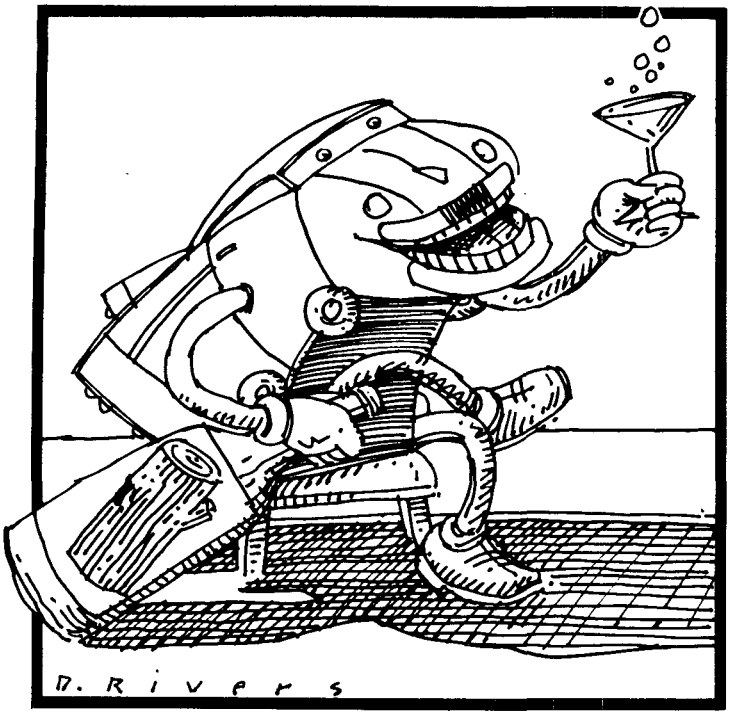
Methanol

Countries with abundant vegetation and a rural economic structure may choose ethanol as the most favorable fuel alternative. Countries with rich natural reserves of coal, natural gas or wood and with a highly developed industrial technology will probably choose methanol fuels.

Methanol was commonly called wood alcohol, because it was originally made only from wood. Since the 1920s methanol has been synthesized by reacting hydrogen and carbon monoxide gases over a catalyst at high pressure. Colorless and flammable, it has a distinctive odor and mixes readily with water. Should a spill occur at sea, methanol would dissolve with none of the disastrous effects associated



LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED



with oil spills. Used chiefly as an antifreeze and to denature (make unfit to drink) ethyl alcohol, methanol is also used as a raw material in the manufacture of other chemicals and in plywoods, resins and a host of other products.

Methanol can be made on an energy- and cost-efficient basis if it is made from either natural gas or coal, and it can be made at a fraction of the cost of producing ethanol. (Current figures are 33.5 cents per gallon for methanol, compared to about $1.35 for ethanol.) Forest waste, agricultural waste, garbage — in fact, any carbon-containing material — can be converted into methanol, but not necessarily economically nor efficiently. Last year total U.S. production was roughly 1.25 billion gallons, most of it used in the industrial market.

A populist movement

Is methanol a fuel whose time has come? There is a populist movement calling for it. Hundreds of people call the California Senate Energy and Public Utilities Committee each month with inquiries about methanol production. But unlike ethanol, which can be produced on a small scale, methanol is not a backyard product. A 50,000-ton-a-year plant is the smallest size feasible to achieve economy of scale, according to some experts. They also say the process is very energy-intensive and requires expensive equipment.

When burned in specially designed vehicles as a pure fuel, methanol has few opponents. But conventional vehicles using a methanol-gasoline blend may experience varying problems on varying blends, such as material solubility, softening gaskets in the fuel distribution system, or corrosion. Another problem arises because the present gasoline distribution and storage system is not watertight; it does not have to be. When water seeps into tankers, barges and gasoline station storage tanks, it is simply flushed out through the vehicle engine. But water, even the normal condensation found in gasoline tanks, can cause phase separation — methanol separates from the gasoline — and the result can be a dead engine.

But there are advantages. On the whole, methanol burns cleaner than gasoline. And methanol fires can be extinguished with water, unlike gasoline accidents. However, some sort of additive would be necessary to give the flame color.

Methanol vehicles would need larger fuel tanks; because of methanol's lower BTU content, it takes almost twice as much methanol to go from Point A to Point B. And it will undoubtedly be years before a nationwide distribution system can be established. Yet automobile manufacturers say they can turn out methanol cars as soon as there is a guaranteed supply of fuel for them. The cars and the methanol would take about the same production time, most authorities agree.

Blended methanol has another problem all its own: Under the 1977 Clean Air Act, it is illegal to add unapproved substances to gasoline, and methanol has not been approved as an additive by the EPA. Also, it is illegal to tamper with a fuel distribution system, and adjustments would be required for using methanol blends in conventional cars. The fine is $10,000.

Switching fuels

Southern California Edison has been testing methanol in the utility's Elwood site near Santa Barbara to learn if gas turbines can tolerate switching back and forth from methanol to diesel fuel. The only plant modification necessary was an enlarged fuel nozzle and adapted seals and sealing materials to accommodate the fuel's characteristics.

So far the system is working fine, according to Edison's project manager for research and development, Bill Von-Kleinsmid. Switching back and forth between methanol and diesel fuel presents no difficulties, he says. Since methanol burns cooler than natural gas, it may give even greater engine life. And emissions appear as clean as those of natural gas — ideal in locations where environmental problems are severe, such as Los Angeles, Sacramento and San Francisco. Methanol is easily transported and easily stored.

According to Jack Janes, electric generation systems specialist at the California Energy Commission, there is a great tilt toward using methanol in gas turbine generators. He claims that both General Electric and Westinghouse are interested. Some time in the future, according to Janes, the price of methanol per million BTUs will cross with the price of oil per million BTUs — the pessimists are only separated from the optimists by the date. When that time comes, utility operators will pick up their phones and call for methanol. Power plants can offer methanol producers two vital incentives: the surety of long-term contracts and an insatiable market.

There are three major sources for producing methanol: natural gas, coal and biomass. Each has its own advantages and disadvantages — and even the experts disagree on questions of cost, pollution and potential.

Methanol produced in the United States today uses natural gas as its feedstock. Natural gas, which provides about 36 percent of the total fuel energy consumed in the country, is such a clean, valuable fuel that it probably should be burned as natural gas. But if the methanol demand is there, supply can be met more cheaply and simply by using natural gas than by using any other feedstock. But would any rational producer build a natural gas methanol plant before the DOE changed the Powerplant and Industrial Fuel Use Act? That law prohibits the use of oil or gas or their derivatives in new powerplants or industrial boilers. By 1990 these fuels must be phased out of existing plants. Five lawsuits are challenging the Fuel Use Act, and buried in Senator Henry Jackson's synthetic fuels proposal is a provision allowing major fuel-burning installations to switch from oil to gas. If the plants can burn natural gas, however, they will not likely choose to go to methanol.

Continental Oil Company (CONOCO) appears to be the only major oil company seriously considering methanol produc-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Methanol politics

Oil companies are comfortable with gasoline and diesel fuel; they have no real interest in trying something new-fangled. Natural gas companies have huge investments in their distribution systems; they would prefer not to enter the new world of synthetic fuels. Stung by Proposition 13, government hardly can spend the capital to develop methanol plants. In fact, there is no organization with massive financial resources eager to jump into the alcohol business. Where is the methanol oomph coming from?

The answer is that the public wants alternate fuels explored to the fullest. Motorists see alcohol as the answer to long lines and rising prices, as well as a way to sock it to the oil companies. What the public apparently doesn't realize is that alcohol fuels will have virtually no effect on the profits of oil companies, because gasoline will still be the primary fuel. But the public's interest is being reflected in heightened consciousness on the part of legislators, most of whom laughed at methanol when it was first presented as a potential alternative by state Senator Nicholas Petris many years ago.

Among the more important bills now working their way slowly through the legislative process:

- **AB 1889** by Assemblyman Victor Calvo, chairman of the Assembly Resources, Land Use and Energy Committee. Opposed by oil companies and Southern California Edison, it would require gasoline to contain at least 1 percent alcohol by 1982, 5 percent by 1985. It would also give the Air Resources Board authority to mandate use of methanol to generate electricity in high-smog areas. The ARB would be required to seek federal approval for use of a 1 percent methanol blend in conventional gas tanks.
- **SB 320,** by Senator Alfred Alquist, chairman of the Senate Energy and Public Utilities Committee. It would give fuel distributors $1 for each gallon of alcohol they blend with gasoline. The potential cost of the measure is estimated at $100 million a year. The alcohol could be produced from any source with a favorable energy conversion ratio.
- **AB 1401** by Assemblyman Dan Boatwright, chairman of the Assembly Ways and Means Committee. It declares that methanol and methanol blends are legal fuels in California. But it is now a federal violation to use methanol as a motor-vehicle fuel, and offenders are subject to a $10,000 fine. State law cannot pre-empt a federal statute. Boatwright claims the federal government "hasn't got the guts to stop a viable alternative fuel." Adds one of his aides: "Let them sue us."

The state is not in a position to get a methanol program rolling. The federal government is moving, however, and industry is waiting for massive tax incentives to offset the risk. The big question is how much government intervention is necessary to get an alcohol fuels program out of the token stage.

When will industry get involved? Here is the view of Bob Stone of Standard Oil of California (Chevron): "If costs can be made competitive, alcohol fuels will be a part of the market. If ways are found so that it can compete, if we can solve the problems in using it and making it, rest assured that it will be used. Industry will use what will work."

That view doesn't seem to satisfy the politicians. They are in a mood to proclaim that alcohol works and to demand that it be used. *K.E.*

tion. Executive Robert Jackson says that they would use natural gas in the short term and then switch to coal. CONOCO has been looking at natural gas in remote places and suggests they could in 27 months build a methanol plant in a large shipyard or on the deck of a self-contained barge. The concept, says Jackson, is applicable to any remote source of gas under or near the sea. They calculate that 100 plants, requiring a $15 billion investment, could replace 10 percent of the U.S. gasoline demand.

Coal and pollution

The second possible feedstock for methanol is coal. CONOCO believes that it would take 68 large coal plants — five times the investment required for natural gas plants — less than five years to supply the methanol needs of California, or 10 percent of total U.S. gasoline demand. The technology is available now; no more research or development is needed, according to CONOCO's Jackson. The plants would consume 250 million tons of coal per year, more than one-third the present U.S. production. Jackson claims methanol will be competitive on an equal-cost basis with other proposed, but as yet unproven, technologies, and estimates the cost of producing methanol (in 1978 dollars) at 33.5 cents per gallon. But he warns that by the time any plant could be brought into production the cost will be 20 to 30 percent higher.

One big question remains: What kind of environmental problems will methanol producers run into in the coal states? Environmentalists in Utah, Wyoming, North Dakota, Arizona and New Mexico take a dim view of strip mining, water and air pollution, mountains of coal ash and enormous demands on water supplies. Court battles could tie up production for years. Jackson wonders how other states will feel about tearing up their lands to supply California's energy.

Perhaps because it owns vast coal reserves, CONOCO appears to be the only oil company interested in producing alcohol fuel. Chevron has no plans to make methanol from coal or from anything else. Representative Bob Stone says they are more interested in developing technology to process coal to crude and run that through normal refining methods. Chevron would rather invest in oil shale and tar-sand technology, he says. None of these, he admits, will make a significant contribution for 10 years. Stone says that if any alcohol will make it as a fuel, it will be methanol; it can make a significant contribution, ". . . but nobody is saying this is the only great white hope of the future."

Elsewhere in the country, coal-produced methanol is making progress. Wentworth Brothers of Cincinnati has two methanol plants on their drawing boards. One, located on the coast near Anchorage, will ship by tanker the methanol made from Alaskan coal to utilities plants near Los Angeles and San Francisco. The other will produce methanol from North Dakota lignite for Midwestern utilities. Wentworth says the first methanol may leave Anchorage in 1985; the North Dakota facility may ship methanol beginning in 1984, coming to full production in 1986.

Long-range visions of methanol's future are even grander. Janes of the Energy Commission envisions a mammoth methanol plant in Gillette, Wyoming, center of Western coal reserves, with pipes sending the methanol to stationary gas turbine powerplants in California.

The press most often mentions biomass and garbage as sources of alcohol. Biomass, broadly defined, is any cellulosic agricultural, forestry or marine product or waste. Biomass and municipal waste are potentially significant energy sources and can be used to make methanol, but they have problems: economics and an unfavorable energy balance.

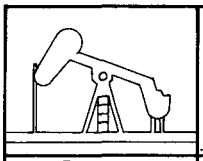
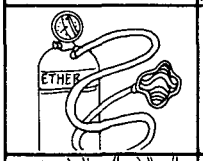
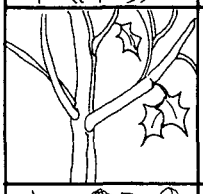
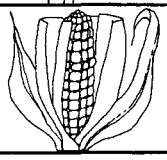
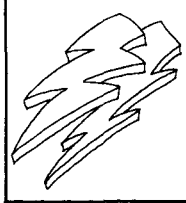
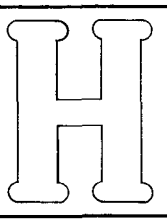
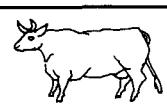
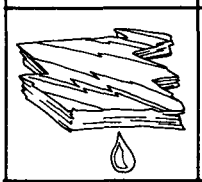
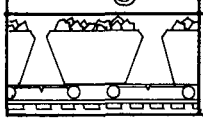
LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The thermal efficiency of converting garbage into methanol is 23 percent; that means that 77 percent of the energy is lost in the conversion process. However, if the waste is burned directly in a boiler to make steam, probably only 25 percent of the energy is lost. This technology needs further development. Municipal waste is difficult to handle and has been converted to methanol only in small demonstration plants that have been burdened with severe operating problems.

Wood is fairly convenient to handle but considered poor feedstock. To begin with, the logistics and expense of collecting and transporting the massive amounts of wood waste required of a large, centrally located methanol plant are ridiculous. Wood conversion to methanol has a 38 percent efficiency — 62 percent of the energy is lost. This figure assumes the fuel source is wood waste, not oil or gas. Burned as a direct fuel source to make steam, however, it has a conversion efficiency of 80 percent. For comparison, gas to methanol has a 61 percent efficiency; coal to methanol has a 59 percent efficiency.

The state's Solid Waste Management Board is developing a mobile pyrolysis unit that might bring the use of biomass within favorable economic and energy bounds. The unit, looking like a giant metal grasshopper, is designed to

ALTERNATIVE FUELS

	FUEL	ADVANTAGES	DISADVANTAGES
	**CALIFORNIA CRUDE** and **HEAVY RESIDUAL:** break down of heavy crude into lighter molecules for refining.	Cheapest way to utilize heavy oils to make fuels for transportation and industry.	More expensive than using imported oil: 95¢ vs $1.25/gal.
	**MTBE:** Methyl tertiary butyl ether. Gasoline made from methanol.	High Octane Number. Already approved by EPA. No vehicle compatibility problem. Fits into existing refineries, pipelines, gas stations.	Costs more than methanol. Stench during manufacture. Made from petroleum product.
	**METHANOL**	Cost competitive with gasoline (according to some experts). Can be used in blends up to 10 percent. Clean emissions.	Risk of separation (methanol separates from gasoline) in higher blends. Distribution problem. Aldehydes may be a smog problem if used pure.
	**ETHANOL**	Can be used in blends without separation. No vehicle modification necessary if used in 10 percent blends. Clean emissions.	Expensive — three times the cost of producing methanol and five times the cost or producing gasoline. Energy conversion deficit.
	**ELECTRICITY**	Very clean emissions. Not tied to liquid fuel. Ready-made for interfacing with solar energy.	Total change from existing system, resulting in employment dislocation. Availability of materials to produce vehicles a problem: copper for motors, special metals for batterie. High costs.
	**HYDROGEN**	Very clean burning.	Needs another energy source to produce it from water. Difficult to store and transport safely and economically. Expensive production. Large-scale production will probably develop in the age of nuclear fusion.
	**BIO-GAS** from animal and vegetable wastes	Clean burning.	Need to modify vehicles to handle dual fuels. Expensive
	**OIL SHALE**	Fits into existing system. Union Oil has completed engineering and has applied for a permit to begin processing. If approved, can begin construction by September on a 9,000-barrel/day plant.	High nitrogen content — bad for air quality. Environmental problems associated with process. Expensive.
	**TAR SANDS, COAL-TO-SYNTHETIC CRUDE.**	Fit into existing system.	Environmental problems associated with development. Still experimental.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

lumber down the highway from farm to farm, converting agricultural waste into charcoal as it goes. The charcoal is easier and cheaper to transport and more energy-efficient to convert into methanol. Bob Harper of the Solid Waste Board admits no one knows if the pyrolysis unit will live up to its promise. But if it is successful, it could also be used to convert forest and sawmill waste into gas, charcoal and combustible wood oil.

Building gasoline

The least disruptive way of using alcohols as fuel is to change them into more conventional hydrocarbons like gasoline. This permits their use in existing vehicles without modification to either the vehicles or the distribution network. Methanol can be used to make MTBE — methanol plus isobutylene, a petrochemical used in making plastics, synthetic rubber and resins. Currently MTBE is used in gaoline as an octane booster, and the EPA has approved its use as a gasoline additive in amounts up to 79 percent.

By the end of the year, the DOE anticipates that about 7,500 barrels per day of MTBE will become available, out of a potential feedstock sufficient for about 20,000 barrels per day. Because of its upgrading quality, MTBE has the potential of increasing the fuel supply by 40,000 barrels a day.

Crude Oil and Residuals

Two previously "unusuable" byproducts of oil refining are now considered potentially valuable as energy alternatives: crude oil and heavy residuals. California has 30 billion barrels of crude oil in the ground. That is enough to supply California energy needs for 30 years. But it is thick, heavy, difficult to handle and expensive to process and, until recently, considered worthless raw material. In refining a barrel of oil, the light molecules are refined first; the molecules become heavier and heavier as the barrel is refined further until a thick, asphalt-like material remains. Until recently this heavy residual has been too difficult and expensive to process. Instead, it has either been burned by ships at sea or sent to Japan.

Now Universal Oil Products (UOP) of Des Plaines, Illinois, proposes to utilize these two "unusables." Its process breaks down the heavy oils into lighter molecules for refining into gasoline and diesel fuel. Although this is not a new idea, it was too expensive before gasoline reached its present price. Gasoline refined by the UOP process will cost about $1.10 to $1.25 per gallon at the pump.

As a second option, the heavy crude or residual can be converted into methanol. With methanol, powerplants and industry could have an extremely clean, practically sulfur-free fuel -- or enough methanol to supply 10 percent of California's transportation needs by 1990. If the residual is refined into gasoline and diesel, 20 to 30 percent of California's transportation needs could be met by 1990. The methanol process is more expensive and more energy-intensive.

But before anything can be done about crude oil or the residual, several things must happen:

- Government must create a market for the methanol by legislating its use in powerplants and industry.
- The Powerplant and Industrial Fuel Use Act must be changed to permit the use of oil derivatives in powerplants and industry.
- Oil companies want to know what the pollution restrictions will be before they invest millions of dollars in retrofitting their refineries to accommodate the heavy oils. Pollution is a touchy problem. Making methanol from crude probably would have the net result of reducing pollution; while there is some pollution in the conversion, there is little in burning the fuel. But crude made into gasoline and diesel will probably mean a net increase in pollution, and that would mean a trade-off. Oil companies would have to clean up pollution from other industrial sources to allow for the pollution in refining.

The risk of decision

There is some risk involved for the Energy Commission if it fully endorses an all-out methanol program, according to the commission's Gary Simon. If oil prices reach $40 a barrel, there had better be an alternative fuel. If that fuel is to be methanol, the commission should get moving now. If, on the other hand, energy prices stabilize, a great deal of public and private money could be wasted on a methanol crusade.

As legislators, industry, scientists and the public attempt to sort through the mass of fact and fiction surrounding alcohol fuels, some areas of agreement emerge:

- Alcohol fuels have their parts to play, but energy is not a one- or two-fuel show. Although they can and will supplement oil supplies, alcohol fuels are not a panacea.
- Ethanol, if processed regionally with farm surplus and distilled with agricultural waste rather than oil or gas, can help the farmer regain the energy self-sufficiency he once knew when he relied on his horses. A large-scale ethanol industry probably is not feasible.
- Methanol is clearly the preferred alternative to ethanol. As an introductory measure, priority should be given to its use in utility gas turbines, industrial heating, and captive fleets. There it can replace highly refined petroleum products which can then be used to meet transportation needs.
- Only the government can organize a methanol market; industry cannot negotiate with a million motorists. Financial incentives — no greater than those the oil companes now receive — plus a guaranteed market, are all the encouragement some producers are waiting for.

The path to true energy independence may lead eventually through other fields: nuclear fusion, for example, or more sophisticated solar-energy applications. But meantime, developing fuel options seems to be an essential first step down the road. And also finding government and industry leaders to mark the trail and lead the way.

HALF-YEAR SUBSCRIPTION TO
TAX REVOLT DIGEST
FOR ONLY EIGHT DOLLARS

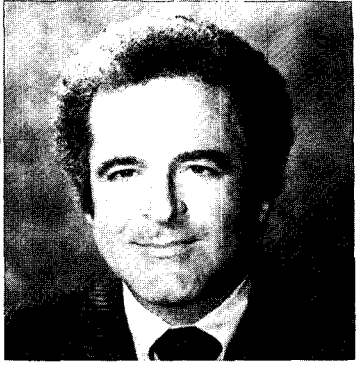
Now there are two ways to subscribe to **Tax Revolt Digest,** the Proposition 13 newsletter published by the **California Journal.**

Until now, **Tax Revolt Digest** has been offered only on a full-year basis at a cost of $15. Now, however, we will accept six-month subscriptions for $8. Each six-month subscriber will get six monthly issues, May through October, plus at least three special supplements. The full-year subscription is still available for $15, and it will include all back issues.

The **Digest** contains information and analysis that is not available in the **Journal** or any other publication. To order either the six-month ($8) or the full-year ($15) subscription, send your check (or Visa or Master Charge number) to **Tax Revolt Digest,** 1617 10th St., Sacramento, 95814.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

STRICTLY OPINION



Editor's Note: *With this new column, the* ***Journal*** *hopes to provide a forum for Californians wishing to express a variety of opinions on state political issues. Inquiries about possible future columns are invited.*

The student trustee

By Peter M. Finnegan

The flyer came in the mail a few days ago. "Urgent! Legislative Alert! Assemblyman Vasconcellos has introduced AB 1551 which will mandate voting student members for all community college boards in California. The California Community College Trustee Association is actively opposed to 1551. Contact your local state legislators and urge them to vote 'no.' "

Compared to other problems facing Californians — inflation, the energy crisis, the high cost of medical care — the question of whether students sit as voting members of school boards seems insignificant. But I suggest that this seemingly innocuous idea goes to the very heart of one of the country's most profound problems: the almost complete lack of understanding of our political system. If this sounds overly dramatic, it isn't. Let me explain what I mean.

I've been an elected trustee of the community college board in San Francisco for nearly eight years. As a layman serving on a part-time basis, I am part of an historical tradition which is unique to the United States. This tradition, started in the town meetings of New England in the 18th century, establishes the community's control of the educational system. School boards today are chiefly policy-making bodies. But the *election* of school board members has remained an "idée fixe" because this is how the citizenry retains input to the local governance of public education in this country.

Now, I won't deny that the system has flaws. But it has generally provided a balance between public input into the decision-making process of the school system and an institutional structure which allows the schools to run without undue political influence.

So, you say, what is wrong with students sitting on school boards? At first blush it seems like a rather good idea. But let's examine the arguments for student trustees in more detail:

- Students are the primary group affected by decisions of school boards, so students should have an active, participating voice on school boards. This argument obscures the larger issue: that a student or a citizen-at-large has no authority to make policy decisions unless the electorate grants him or her that authority to do so through the elective process.
- It is "no big deal" that school board trustees are elected — anyone can get elected and, besides, look at the kind of people who do get elected! These arguments beg the question. No matter what the qualifications (or lack thereof); a citizen of California — whether he or she is a student, parent, teacher or concerned taxpayer — has vested authority solely through the elective process to participate in education in a policy-making capacity.
- Some years ago a legislator in Sacramento suggested to me that the rationale for student trustees is grounded in the concept of "shared power." The gist of this argument goes something like this: Students, more than any other group, have a stake in the decisions that are made by school boards. Since this is so, students should share in the governance of education by being on school boards. I suggested to this legislator that if we follow this logic, students should also be members of the education committees of the Legislature, and perhaps the California Legislature should have persons from various special interest groups voting on *all* policy-making committees. I even suggested that this legislator "share his power" and have a citizen from his Assembly district "share" the representation of his constituency. It soon becomes clear that the idea of "shared power" leads to an ultimate absurdity. Legislators cannot share their authority any more than can locally elected trustees share theirs.

We, as a people, have lost sight of what representative government is all about. Giving way to the popular notion of "participatory" democracy, we have blurred the meaning of representative government. In our system of democracy we elect persons to school boards, city councils, boards of supervisors, legislatures and the Congress to *represent* us. We delegate to our elected officials the authority to make decisions for us. We *entrust* this power to our representatives. Thus, the origin of the word "trustee."

Once elected, the school board trustee, like any other elected representative, is besieged by all segments of the community. He or she must be responsive to community needs or risk being rejected at the polls. The school board trustee does not represent only students, or only faculty, or only any other particular interest. The trustee holds a fiduciary relationship with the taxpayer. The constituency of a school board trustee is no more nor less than the voting public.

If the concept of a student trustee is so inimical to our form of representative democracy, why have so few people argued against it? I suggest the basic reason is the fact there is a general confusion about our governmental process. This confusion, coupled with a lingering uneasiness about the role of students in the educational process, has created a climate which is not conducive to a clear articulation of the student-trustee issue. It is particularly difficult for trustees themselves. We sound narrow-minded and undemocratic in stating that students should not have voting privileges on school boards. We appear to be petty princes anxious to keep control of our little fiefdoms.

I would never have broached the subject of students as voting trustees if I did not think it involved a profound principle of government. I refuse to cater to a popular political idea which, quite frankly, I feel destroys the political process as we know it. I know I will be accused of Neanderthal thinking: I will be attacked as being anti-student. Worse, I will be charged with being undemocratic. I will simply respond that none of these charges is true. On the contrary, I am so concerned about preserving the principle of representative government that I cannot let an idea which undermines this concept go by unchallenged.

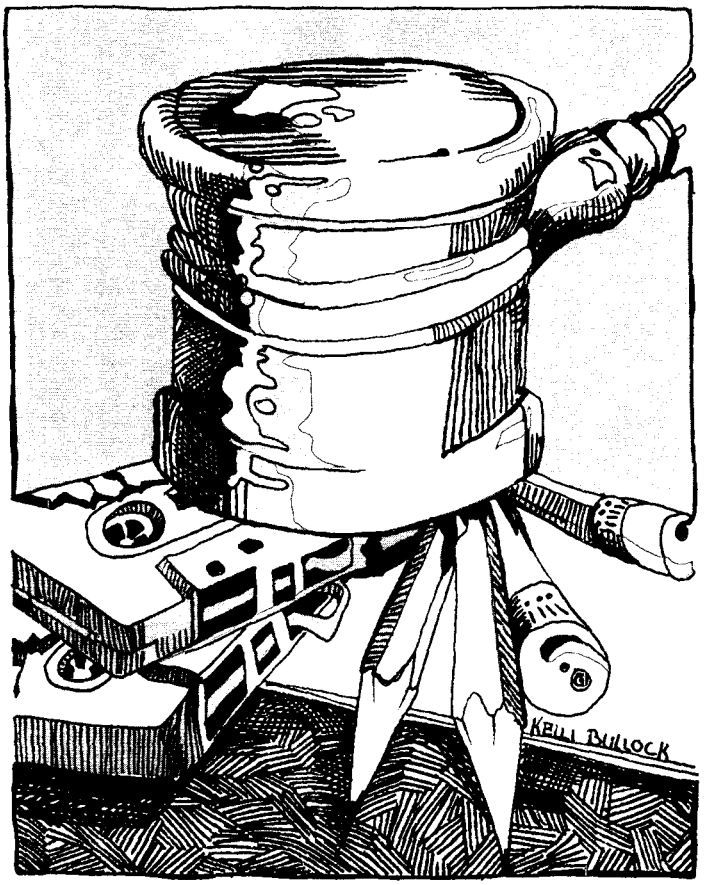
Students do have a role in the governance of education — a very big role — but that role is not as trustees on elected school boards.

Peter M. Finnegan is president of the San Francisco Community College District governing board and of the state Alcoholic Beverage Control Appeals Board.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The California split between judges and reporters

By Steven Pressman



Sometime in the next few months, some of California's courtrooms are expected to open their doors to television cameras, tape recorders and still photographers. The experimental project is aimed at relaxing Judicial Council Rule 980 which, until now, has banned the electronic media from the courts.

The changes in Rule 980 were recommended by a panel of reporters, judges and lawyers appointed last year by Chief Justice Rose Bird. If the Judicial Council approves them, California can expect a new dimension in media coverage of courtroom proceedings

At the same time, however, the state's media — the print sources as well as television and radio — remain locked in a constitutional debate with the courts over how far reporters can go in investigating and bringing news to the public, whether it comes from inside or outside the courtrooms.

The battle lines

Some observers feel that communications between judges and reporters in California have improved and that relations between the two groups are better than ever before. But such relations, if they do exist, appear threatened by a string of decisions from the U.S. Supreme Court on down. Today, many members of the media have become so alarmed over the anti-media trend in the courts that they fear the lofty free-press principles of the First Amendment are in danger of being strangled by the hands of the judiciary.

The battle lines between the press and the courts are clearly drawn, with each side lined up behind its own array of sweeping — and disturbingly conflicting — constitutional provisions and state statutes. The media relies primarily upon the First Amendment to the U.S. Constitution which guarantees a free press unhampered by government intervention and regulation, a hallmark of the American democratic system for more than 200 years. In California, as in some other states, the free-press doctrine has been extended with the enactment of so-called "reporters' shield laws" (in California, Evidence Code Section 1070) that protect reporters from revealing confidential sources and unpublished notes and tapes.

Conflicting with those free-press provisions are constitutional guarantees of a fair trial, plus many court decisions holding that defendants are entitled to information that may help their defense. With the courts being called upon to balance the competing interests, a general trend has emerged requiring the media to yield in the interests of the administration of justice.

If the First Amendment proves inadequate as a defense, it is no wonder that reporters are also shaky about relying on legislation for protection of sources and notes. In January, the Third District Court of Appeal in Sacramento ordered former *Sacramento Union* reporter John Hammarley to turn over portions of his notes and tapes used in preparing stories about a 1977 Mexican Mafia-related killing. Hammarley, now working for the *San Jose Mercury*, ignored the court order, claiming the material was privileged under Section 1070. But the appeals court found that the reporter's privilege did not surmount the right of a criminal defendant to seek information deemed critical to his case.

"After weighing the competing interests disclosed by the record before us," said the court, "the newsman's statutory

Steven Pressman is a reporter for The Los Angeles Daily Journal. *He wrote "The confused legal state of affirmative-action programs" in the March 1979* Journal.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

privilege set forth in Section 1070 must here give way to the constitutional right . . . to a fair trial." The California Supreme Court in May declined to hear the case, thereby upholding the Court of Appeal's ruling. A jail sentence for Hammarley was averted at the last minute only when the testimony of the witness he had interviewed for his stories was ruled inadmissable by the trial judge. But Hammarley's troubles may not be over since defense attorneys in other Mexican Mafia-related cases may subpoena the reporter's notes and tapes.

An accusing finger

Many members of the media point an accusing finger at the U.S. Supreme Court for fostering what they consider an increasingly anti-media posture in the courts. Chief Justice Warren Burger has set the tone himself, making little secret of his antipathy toward the media. At the recent American Bar Association mid-year meeting in Atlanta, the chief justice flatly refused to allow television cameras inside the hall where he was speaking. His message was not lost on the lawyers who were in attendance. Despite numerous pilot programs throughout the country allowing cameras inside the courtrooms, ABA delegates refused to endorse the plan.

The high court has dealt some blows to the media in areas other than that of access. In *Herbert v. Lando,* the Supreme Court held that reporters and editors can be probed about their "state of mind" while making editorial decisions in order to gather evidence in libel cases. Most recently, the court upheld a New York Court of Appeals decision that allows judges to close pretrial hearings to the press and public *(Gannett Company v. DePasquale).*

"The bottom line is that these combined efforts to mangle the investigative arm of journalism will have a perilously devastating effect on the people's right to know," says John Babcock, executive news producer for KABC-TV in Los Angeles. "It's not a threat to reporters. It's a threat to the public."

Others view the Supreme Court actions as part of a larger trend aimed at reversing many of the civil libertarian stances taken by the Earl Warren court of the 1950s and '60s. "I am depressed about the press' rights as much as I am depressed about other civil liberties that seem to be eroding with each passing week," says attorney Jonathan Kotler, who has represented the reporters' Freedom of Information Committee in recent media courtroom cases. "It has come to the point where I wait with absolute horror to get news on what the Supreme Court did to civil liberties this week."

As the U.S. Supreme Court has molded a federal constitutional stance against the media, its actions have prompted judges at the state level to follow suit and to issue rulings that limit the media's ability to protect sources and prevent disclosure of other information. "I think the judges here in California have become emboldened of late and have taken the baton passed down to them from the Supreme Court, and specifically from Justice Burger," warns Kotler.

Last year, for example, the First District Court of Appeal in San Francisco brushed aside constitutional arguments by the media and ordered producers of the CBS program "60 Minutes" to allow an in-chambers inspection of unused film footage taken in the preparation of a story about drug sales. Portions of that film helped lead to the acquittal of one defendant who had been charged with the sale of PCP to undercover officers. The "60 Minutes" case has been offered as conclusive proof by defense attorneys who argue that, had the media prevailed in its claim of privilege, an innocent man might have gone to prison.

"The rights of an individual to obtain information that might exonerate him are far more important than a nebulous First Amendment right of the public to know," says Barry Tarlow, a Los Angeles criminal defense attorney. The U.S.

Supreme Court was on the verge of deciding that same issue in the *New York Times-Farber* case when a New Jersey doctor was acquitted of murder charges before the court could act. The issue was ultimately declared moot and the high court found a convenient way to sidestep the problem.

Shielding sources

While the "60 Minutes" case in California did not involve confidential sources, several attorneys also feel that reporters have no constitutional right to shield those sources if such a position stands in the way of a fair trial.

"I feel strongly about the press being able to protect its sources," says Richard Hirsch, a Los Angeles lawyer. "On the other hand, if the freedom of my client depends upon a juror's statement made to a reporter prior to trial, I feel compelled to require disclosure of that source. I sympathize with reporters, but I have a duty to defend my client." Adds Tarlow: "When the statute (Section 1070) comes into conflict with traditional constitutional rights, the statute has to give way. There is no First Amendment privilege of a reporter not to give up sources."

As noted in the Hammarley case, California reporters are not likely to find complete security with Section 1070 if they find themselves pitted against fair-trial claims. Former *Herald Examiner* court reporter Bill Farr (now with the *Los Angeles Times*) and four newsmen with the *Fresno Bee* spent time in jail during the early 1970s after refusing to reveal sources related to ongoing trials. The California shield law remained intact through those battles, but the *Farr* case added an important caveat to the statute: The reporter's privilege must give way to allow judges to control officers of the court and courtroom proceedings.

Some observers outside the media dismiss the problems of confidentiality as ivory-tower issues having little relevance to the day-to-day business of reporting the news. But journalists respond that while few stories may require confidentiality, the privilege is necessary to bring those stories to the attention of the public. For example, KABC-TV has reported on alleged incidents involving brutality and racism within the Los Angeles Police Department based on information supplied by a former officer. The officer was dubbed the "Masked Marvel" because of his masked appearance on camera to shield his identity. The same station is currently receiving information from an underworld informer who fears that disclosure of his identity could cost him his life. "There are few stories that require source protection, but they turn out to be the major stories we do," says John Babcock of KABC-TV.

There are some in the media who fear that informants are less likely to step forward if reporters might be compelled to reveal confidential sources. "Real good reporters often have a way of getting information anyway, but it requires more work, with a greater development of relations between

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

them and their sources," says George Osterkamp, news director for San Francisco public television station KQED. And for a station like KQED, which has only four full-time reporters its personnel cannot always take the extra time necessary to woo reluctant sources.

Despite the legal trends against the media, news reporters in California might actually be a little better off than their colleagues in other parts of the country. In the wake of the *Stanford Daily* decision, Governor Brown signed legislation largely circumventing the police raid ruling. In Los Angeles, the Police Commission has adopted guidelines that limit search-warrant seizures only as a last resort. Even the media's compliance with court-ordered subpoenas remains in the air. While "60 Minutes" was ordered to furnish material to a defendant, a municipal court judge in Beverly Hills has ruled that prosecutors must look elsewhere for evidence and could not, in one instance, force the media to turn over unused film footage and photographs.

One positive development occurring only within the last year or two is a proliferation of bench-bar-media committees — groups of judges, lawyers and reporters who meet occasionally to discuss common problems. In the Bay Area, the California Judges Association has set up a "hotline" to assist judges faced with sticky media problems arising in their courtrooms. Only one serious problem has been reported during the last several months. All of which leads Oakland Municipal Court Judge Roderic Duncan, himself a former reporter, to observe that "relations between the courts and the media in the Bay Area are excellent."

Duncan is one of several trial court judges in California who has, in the last several weeks, struck down an 1872 statute that requires closed preliminary hearings at the request of defense attorneys. In each instance, the media petitioned the judges to cover the proceedings. But the law — Penal Code Section 868 — was upheld by another judge after news organizations in Los Angeles sought entry into the pretrial hearing of three Synanon members charged with the snakebite attack on attorney Paul Morantz.

The Court of Appeal in Los Angeles also upheld Section 868, but not before it urged the state Supreme Court to review a 1960 decision allowing closed preliminary hearings. While the high court declined to hear the media's appeal of the Synanon ruling, it has been asked in another case to strike down Section 868 by Los Angeles Municipal Court Judge George W. Trammell III who has already declared the law invalid.

Legal logic

Ironically, the media, in arguing against Section 868, is using the same legal logic invoked by judges who have previously decided against claims of reporters' privileges. The argument is that judges should be required to balance the interests of the media with those of defendants and then decide in favor of one or the other. But the closed hearing law, the media point out, robs the judge of that discretion by leaving the decision entirely up to defense attorneys. In defending his ruling against Section 868, Trammell has even relied on the U.S. Supreme Court's *Gannett* decision despite the fact that the media throughout the country have roundly criticized that case. But Trammell says the decision reinforces his belief that judges should be the final arbiters of who is allowed inside the courtroom. Defense lawyers reply that laws like Section 868 protect their clients from damaging prejudicial pretrial publicity, while the media say they're willing to compromise. "The press is not asking for an absolute right, even though many press attorneys feel it has that right under the Constitution," says media lawyer Kotler. "I think one of the reasons is that it feels half a loaf is better than none."

It is clear that better communication between judges and reporters has led to a more receptive attitude toward permitting television and radio coverage in courtrooms. Court of Appeal Justice Bernard Jefferson, who chaired the special panel recommending a change in the electronic media ban, wrote to all of the state judges asking for their willingness to participate in the open-court experiment. "Most of the judges have indicated they are willing to participate in the experiment," says Jefferson. "A lot of them have said, 'I don't think it's a good idea, but I'm willing to go along.'"

There are plenty of judges and attorneys, however, who are still worried that cameras and tape recorders may turn trials into evening news drama or three-ring circuses. "If the Marvin trial had been televised, it would have made the ratings of 'Mork and Mindy' or 'Charlie's Angels' look like nothing," says one attorney. On a more serious level, others fear that witnesses or jurors may feel intimidated by the watchful camera eye or the probing microphone. As a result, the committee proposing changes in Rule 980 has asked that various parties in court consent before coverage is allowed.

Friction of excess

It is excesses on both sides that often cause friction between the courts and the media, according to Los Angeles Superior Court Judge Irwin Nebron, who heads a bench-bar-media group in that city. "If everyone was always responsible, we would have no problems at all. What we are dealing with is the irresponsible judge or the irresponsible member of the press," he says. Furthermore, Nebron suggests that all of the dividing issues between the courts and the media are not likely to be resolved. "I think it is inevitable that there will be tensions and pressures between the judicial system and the press. That is just in the nature of adversary proceedings."

If Nebron is correct, then even future decisions by the California and U.S. Supreme Courts on unresolved media issues may not — and probably won't — bring an end to the constitutional conflicts between the courts and the press.

According to one poll on the subject, 62 percent of the public believe that reporters' notes and sources should remain confidential. Not so surprisingly, the same poll, conducted by the Louis Harris organization, indicated that 67 percent of law enforcement feels that reporters' information should not be privileged.

But, in the final analysis, the fate of the media's legal battles to defend what they see as their inalienable rights will depend not upon public opinion, but on the opinion of the courts. There are many in the media today who are clearly worried over the direction the courts have been taking. Those reporters and editors, undoubtedly, would urge the state's and nation's legal tribunals to consider one comment made recently by a judge in Los Angeles. "The press can be a pain in the neck," said the jurist. "But it's also indispensable."

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Why Brown didn't win the Hollywood Park derby

By Larry Remer

It's a long way from the $2 window at Hollywood Park to the fabled corner office in the state Capitol and its gubernatorial occupant. But politics — especially the presidential variety — has a way of shortening distances. Witness, for example, events this past spring when the Brown Administration unsuccessfully attempted to intervene on the side of the Service Employees International Union (SEIU) in a labor dispute with the owners of California's major racetracks.

SEIU represents pari-mutuel clerks, horse handlers and other personnel at Hollywood Park and several other tracks. Their last contract was scheduled to expire April 11th, when Hollywood Park opened for the season. But by late March negotiations had stalled and a strike seemed imminent, so SEIU president George Hardy appealed to Governor Brown for help.

SEIU, not so incidentally, is the only major union in the nation to be supporting Jerry Brown's bid for the presidency. While other AFL-CIO chiefs have remained cool toward Brown, Hardy has publicly endorsed his candidacy and assigned several of his staff to work on the fledgling campaign. In fact, when Brown traveled to New Hampshire early this year on a strictly political trip, it was Richard Murphy — a top SEIU operative — and not any of Brown's state-salaried aides who helped with arrangements.

Thus, when less than a week before SEIU planned to strike Hollywood Park, Brown suddenly announced the appointment of three new commissioners — including his chief of staff, Gray Davis — to the five-member California Horse Racing Board, SEIU and other labor leaders were elated. The board has the power to license both tracks and track personnel, and Davis immediately announced he would seek to prohibit licenses from being issued to any workers who might serve as "scabs" during a strike.

Brown left the next day for an African safari with rock star Linda Ronstadt, apparantly confident his deft exercise of executive muscle would yield the desired result. When he returned, however, the Racing Board was in chaos and the state's $1.5 billion racing industry in a near shambles.

What Brown apparently failed to consider was the integrity of his own appointees, especially two holdover commissioners, Harvey Furgatch and Nat Colley, appointed during Brown's first term. When Davis tried to ramrod a series of pro-union proposals through, Furgatch and Colley — both of whom have long histories of liberal activism — balked. The board, they declared, simply had no authority to intervene in a labor dispute — on behalf of either side. The proper place to resolve the problem, they insisted, was at the bargaining table.

The vehemence and substance of their objections made Charles Chatfield, one of the newly appointed commissioners, pause to consider the issue, thereby undermining Davis' 3-2 "pro-labor" majority. The result was a series of tumultuous board meetings throughout April, in which Davis repeatedly butted heads with Furgatch and Colley while Chatfield wrestled with his conscience. In the meantime, SEIU struck Hollywood Park and two other tracks, but negotiations stalled pending the outcome of maneuvers on the Racing Board.

The starting gun

At the beginning of the conflict, the chief negotiator for SEIU was Sidney Korshak, a Beverly Hills attorney who was named by the California Organized Crime Control Commission last year as an individual whose "name had been linked with organized crime for more than 30 years."

Some media sources, including an NBC Weeknight news segment, tried to establish links between the Brown Administration and Korshak, based on the racetrack controversy. But they had little to go on. Both Brown and Davis deny any ties to Korshak, and most observers believe Brown's intercession in the dispute was triggered by his political debt to SEIU head Hardy.

Even so, running behind the scenes in the battle was a long-standing feud between Korshak and Marjorie Everett, the major stockholder in Hollywood Park. Years ago, Korshak represented Everett's father — Ben Lindheimer — in labor negotiations at his two tracks in Chicago. Everett accused Korshak of double dealing against her father in a 1960 dispute that, she says, precipitated her father's death from a heart attack.

Additionally, Everett was a key prosecution witness in the bribery and tax evasion trial of former Illinois Governor Otto Kerner. There were reports then that Korshak had tried to persuade her not to testify.

The Korshak-Everett acrimony may have helped keep negotiations stalled, and after the board resolved the temporary worker licensing conflict, the union brought in a new chief negotiator who presided over the wind-up of the dispute.

The first round opened at the April 9th Racing Board meeting, three days after Gray Davis was appointed. Davis moved that the temporary work permits issued to replacement workers be rescinded. That proposal passed 3-2, with Davis, Chatfield and Commissioner Barbara Brooks voting for it. But that action was reversed the next day when the board reconvened. The Davis proposal came up again and failed on a 2-2 vote, with Chatfield abstaining. Hollywood Park was given the go-ahead to open the next day and SEIU announced its strike was on.

Almost overshadowing the controversy was the resentment building among some of the commissioners for the way Davis was playing political hardball. Board members, he had said earlier, were "expected to reflect the Governor's views, and I familiarized the board with his views." That he did, both during the hearings and in one-on-one conversations with the commissioners. Colley recalls that Davis re-

Larry Remer is the editor of San Diego Newsline.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

minded him that his term on the board would be expiring this summer. Davis was also overheard telling Chatfield that there was a "game plan" and he should "get with it."

Then Davis took a clear public shot at Colley and Furgatch, telling the *Los Angeles Times* that he wondered whether board members "could put aside their vested interests and make a fair decision based on the facts." Both Colley and Furgatch own race horses — a conflict specifically permitted under state law. Colley races his on tracks in Northern California; Furgatch races his out of the state.

The irate responses from Furgatch and Colley came immediately. "If I wanted to make money, I'd shut down all racing in the state," Colley declared. "I've lost money every year I've owned horses." As for Furgatch, he said flatly, "The law permits my owning horses, and Governor Brown and Gray Davis knew I owned them when they appointed me to the board . . . If Mr. Davis wants to look at a conflict of interest, I think he ought to look at himself."

Making news

The two commissioners' angry responses made news for more reasons than one. Colley is one of Sacramento's leading black attorneys and has long been one of the leading litigants in handling civil rights cases on a *pro bono* basis. Furgatch is a maverick San Diego builder with a statewide reputation for supporting liberal causes. In fact, almost entirely because of Brown's support for the Farm Workers and his opposition to the death penalty, Furgatch loaned last year's Brown re-election campaign $50,000 and contributed $35,000. (By contrast, SEIU chipped in only $7,996.) Once out in the open, the allegation that Furgatch and Colley had any conflict of interest backfired on Davis. In short order, he publicly apologized for his remarks.

But Davis seemed determined to push through a pro-union rules change. For the April 20th board meeting, Davis prepared two proposals: One prohibited any track from employing on any given day more than 50 percent of their personnel who had been licensed to work there less than six months. The second declared that a "state of emergency" existed in the racing industry, enabling any rules change to take effect immediately. The net effect of these actions would have been to close all the tracks for the duration of the strike since only in the union would there be enough licensed pari-mutuel clerks to enable the tracks to operate.

Both Furgatch and Colley reiterated their opposition to any interference in the strike. Furgatch went a step further and demanded that Davis resign from the board.

The April 20th board meeting was an acrid affair. Furgatch repeatedly asked what circumstances other than the strike made for a "state of emergency." Davis was restrained in his responses but pushed steadfastly for his rules changes. This time, in a 3-0 vote with Colley and Furgatch abstaining, the board supported Davis.

Angry racetrack owners branded the action "illegal" and threatened to sue. Two tracks did — Hollywood Park and Tanforan — and early the next week two separate Superior Court judges prohibited the Racing Board from proceeding as planned. They said that the law requires a seven-day notice to all interested parties before a "state of emergency" can be declared and new racing regulations issued.

A soul-searching vote

Chatfield, of course, was the pivotal figure in the situation. He says it took a lot of soul-searching before he could reach a conclusion. Finally, at a May 4th meeting, Chatfield lined up with Furgatch and Colley to vote against declaring a "state of emergency."

Before his decisive vote, Chatfield sought advice from many quarters — including Governor Brown, who had returned from Africa in mid-April to find the controversy raging full force. "I asked Jerry if he was looking for a party vote on this or if I should vote my conscience," Chatfield recalls. "He said, 'Hell no! Vote your conscience.' "

Furgatch also met privately with Brown and came away convinced Davis had simply overstepped his bounds during the dispute, not acting on orders from Brown. He says the Governor assured him Davis would step down from the board "at the right time."

Davis continued to claim that the board was siding with management by its inaction. "If there was a neutral gear we could have gravitated toward, we probably would have," he recalls. "But what everyone who said we shouldn't interfere didn't realize is that by not interfering, we were taking a stand. Whatever we did was interfering."

By the beginning of May, all the pieces had fallen into place. After another long, wild meeting, Davis was only able to muster the support of one commissioner, Brooks, who backed him unequivocally throughout the controversy. The vote to enact "emergency measures," effectively barring non-union personnel from working at the tracks, failed 3-2.

Within a week, the union and the tracks reached an agreement and track operations began to return to normal. Once the possibility of intervention was removed, only a bargained agreement was possible. Even so, the settlement gave the union many of its key demands.

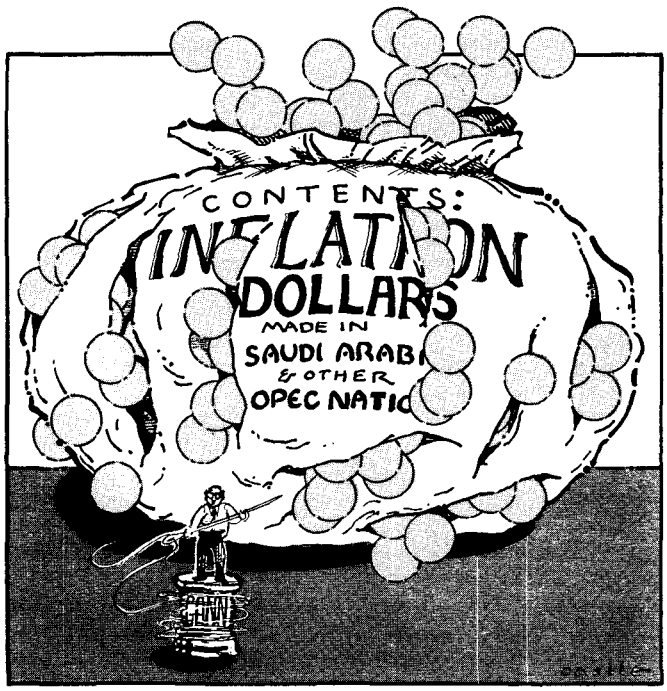
The question now is whether or not the Racing Board can recover and address other serious problems facing racing in California. These problems, temporarily overshadowed by the strike, indicate that horse racing is in need of vigorous reorganization.

On the political racetrack, the incident probably was more symbolic than significant. The hint of scandal seemed too light to stick. Jerry Brown's early supporters in the SEIU got some very visible backing from their presidential favorite — plus a good contract. Gray Davis may have ridden his horse a little too hard, but the Governor can always say that his jockey just misread the signals. After all, the finish line Brown cares about is in Washington, not Hollywood Park.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The new Gann plan: is it loaded with loopholes?

By MAUREEN S. FITZGERALD



In political circles, it is taken for granted these days that Paul Gann's "Spirit of 13" initiative will be approved overwhelmingly by California voters at a special election this November. It may face only token opposition and will be rated as a motherhood issue compared to the other major measure on the ballot — Senator Alan Robbins' proposal designed to end busing of school children in Los Angeles.

Hitting the ceiling

The Gann constitutional amendment is designed to place limits on state and local government spending. But after it is approved by the electorate, how much actual effect will it have in finishing the job started with last year's Proposition 13? Gann and his backers, primarily business organizations like the California Chamber of Commerce, claim that public officials have subverted the purpose of 13 and that the new initiative is needed to close the loopholes. But many legal and budgetary specialists believe that the new Gann plan may contain more loopholes than the 1978 initiative Gann co-sponsored with Howard Jarvis, and that it will have little or no impact on government spending.

No one knows how much state and local government would be spending in future years without the enactment of the November initiative. Even the true effects of Proposition 13 cannot be measured until a permanent fund-distribution system is established by the state. But there are estimates as to how much money government will be able to spend if the Gann initiative is approved, as anticipated. Kirk West, executive director of the California Taxpayers Association and one of the key sponsors of the measure, estimated only six months ago that the allowable annual increase under the "Spirit of 13" would be about 7 percent for the state, cities and counties and about 6 percent for schools.

The new budget-cutters

Since that time, OPEC has struck. The cost of living has shot upward, primarily because of the precipitous climb in the cost of gasoline. West now estimates that government would be able to spend 11 percent more in each of the next two years than it did in 1978-79, the base year under the Gann initiative. Now, there are those who say that government will not have enough money from revenues to spend its quota under the Gann proposal. However, Gann does have a mechanism to allow for runaway inflation: It states that the annual increase formula shall be based on inflation plus population growth — except in cases where the rate of increase in the cost of living is higher than the rate of increase in per capita income. In that case, the income figure would be used. According to West, per capita income normally rises faster higher than the cost of living. But these are hardly normal times, and it will remain to be seen each year which percentage will be used. West feels that, overall, the Gann initiative will not have the impact that was originally projected, but that it will still help slow the growth of government, based on long-term historical patterns.

It is probably significant that Dan Boatwright, chairman of the Assembly Ways and Means Committee and sponsor of a rival spending-limit proposal, joined forces with Gann on the eve of the decision by Governor Brown to sign the special-election bill. Boatwright said he had met with the "Spirit of 13" executive group and was convinced that the measure is designed to improve rather than cripple government. Boatwright was also well aware of the inflation factor and loopholes in the Gann plan. Later, Assembly Speaker Leo McCarthy jumped aboard the bandwagon, undoubtedly recognizing that he could make it appear he was a born-again budget-cutter without actually threatening the status quo.

What are the major loopholes that have thus far been identified?

- ***Fees and service charges.*** The measure exempts fees and service charges from spending limits unless they exceed the cost of providing the service for which the fee is

---

Maureen S. Fitzgerald is project director for Tax Revolt Digest, *a Proposition 13 newsletter published by the* California Journal.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

levied. It also prohibits a shift from governmental revenues to a fee system for providing a service unless the government's spending limit is reduced by a like amount.

But there is plenty of room for increases in existing fees that would not trigger a reduction in the spending limit. Local government has already shown a strong inclination to head in that direction since Proposition 13 passed.

• ***Mandates by the federal government and the courts.*** The Gann measure specifies that unavoidable increases caused by actions of the courts and federal government are excluded from the limits. The initiative does not state whether this provision applies to actions taken before the effective date of the initiative or just those taken in the future. Much of the spending by state and local government now is in keeping with federal or court mandates. And wouldn't virtually all spending for public schools be exempt if the *Serrano* decision qualifies as a court mandate under the initiative?

• ***Base-year loading.*** The fiscal year that ended on June 30th was the base on which future increases (starting in 1980-81) in government spending will be computed. Many local governmental agencies took extraordinary steps to build the base-year expenditure level to abnormal heights so that there will be plenty of leeway in future years.

The initiative also raises a series of technical and legal issues that may require court interpretation. In late 1978, the Legislature's legal adviser reported that the measure would probably be inoperative because it fails to define key terms and contains conflicting provisions. The legislative counsel later issued another opinion, saying that the courts could probably resolve these problems, disregarding literal language in favor of a logical result consistent with the intent of the sponsors.

Among the problems: The initiative says that state subventions to local government are covered by local spending limits, not state limits. But another section says that for the base year only, these subventions are included in the state and not the local limits. If both of these provisions were to be taken literally, the state would have an enormous cushion in future years and local government would be in desperate shape.

And what about the state's large surplus, in excess of $2 billion during the base year? Does it count in the base? If the surplus is considered part of the 1978-79 budget, the state could ignore the Gann measure for many years to come. Otherwise, the state would probably have to make refunds to taxpayers in future years.

The Gann formula — cost-of-living plus population growth — can be computed with relative ease for most elements of government. But there is a major exception: Population statistics are not available for many of the state's 4,900 special districts, which do not necessarily follow city or county lines. It would be a costly administrative nightmare to record population changes for each district. (Incidentally, the population factor for schools will be average daily attendance. Because ADA is falling while general population is rising, schools will have smaller annual budget increases than other elements of government.)

One of the unanswered questions is how and when the *Serrano* decision requiring equalization of funds among school districts will be met. There is also the issue of whether Proposition 13 made *Serrano* moot because it eliminated differences in property tax burden from community to community. Nevertheless, the Gann measure would tend to freeze the current disparities into the law. The state Chamber of Commerce, a prime sponsor of the measure, claims that problem can be solved if voters in low-spending areas vote to raise their limits and then get more money from the state.

Yearly emergencies

The initiative permits governmental entities to declare an emergency in a given year and then to spend more money than the limit allows. But it must cut back in the next two years to make up for the extraordinary expenditures. Local government officials have already been told by their technical advisers that once an emergency is declared, it will probably be necessary to repeat the process every year to avoid the two-year cutbacks. This would also let government circumvent the initiative in perpetuity.

Aside from the fiscal, legal and technical problems, questions have been raised about the social effects on the communities of California. A staff report to the Assembly Revenue and Taxation Committee says the initiative could be a significant blow to urban centers with declining population. This is because the extensive fixed cost of providing inner-city services would remain, but there would be less money to do the job. Services would be cut back, the report theorizes, and the flight of residents to the suburbs would be hastened.

The report also suggests that there would be a negative impact on areas with large transient populations, such as tourist areas and cities with significant numbers of commuters. San Francisco, for example, is still growing as a business center but has been losing residents. Under Gann, there would be no allowance for the need to service tourists or the workers who pour into the city from three directions each day.

Before joining hands with Gann, Assemblyman Boatwright argued that the "Spirit of 13" initiative would be a severe blow to those seeking growth in the state. The initiative, according to Boatwright, would not allow a community to expand its budget to provide services, for example, to a new shopping center — even though that center would provide substantial income to the city in sales taxes. Why should a city approve a new residential development if the cost of servicing the new homes would strain the Gann limit? The counterargument is that the Gann limit will force communities to do a better job assessing the impact of growth. And Gann keeps emphasizing that the initiative does not place absolute limits on any entity because the lid can always be lifted by a vote of the people.

When all these factors are taken into consideration, especially inflation, is there any wonder that the liberal establishment of California is taking relatively little notice of the initiative? In fact, some liberals are saying that the opposition to the loophole-loaded measure ought to be led by the very people who placed it on the ballot.

(For a rundown of the provisions in the "Spirit of 13" proposition, see the January 1979 *Journal*.)

The Journal Introduction Service

It isn't exactly computerized dating, but at least it's free.

Why don't you do your friends and the Journal a favor by matching us up?

If you find the Journal worthwhile, your friends, relatives and business associates should feel the same fond way about us. Just send us their names and addresses, and we'll send each of them a free sample copy of the Journal with your compliments.

Our matchmakers are in the Journal Subscription Department, 1617 10th St., Sacramento 95814.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

California CAPSULES

Jarvis starts seeking signatures for new tax measure

Proposition 13 sponsor Howard Jarvis has received official state approval to begin circulating petitions for his new proposed initiative designed to cut the state income tax. Jarvis needs 553,790 signatures by November 26th to qualify his proposal for the June 1980 ballot. The key provisions of the plan would cut the state income tax in half, eliminate property taxes on business inventories and require that the income tax brackets be adjusted each year to take the cost-of-living into account. According to Caren Daniels of the Secretary of State's office, there were 15 other proposed initiatives in search of signatures as of July 16th. They included five other tax measures, two on gambling, and individual proposals on a variety of other subjects.

Sponsors spent over half-million on 'Spirit of 13'

The state Fair Political Practices Commission reported that the sponsors of Paul Gann's "Spirit of 13" initiative spent $537,000 — almost $1 per valid signature — to qualify the measure for the November 6th special election. The proposal would place limits on state and local governmental spending. Gann and Howard Jarvis spent one-tenth as much to qualify the original Proposition 13 for the ballot. The biggest financial supporters of the Gann plan were the California Association of Realtors, the California Roundtable, the California Chamber of Commerce and the National Federation of Independent Businessmen.

There's bad news and good news on gas taxation

The shortage of gasoline combined with rapidly rising prices has produced both increases and reductions in anticipated state tax collections. The basic tax on gasoline, used primarily to build and maintain highways, is seven cents a gallon (in addition to four cents in federal taxes). The state Board of Equalization reported that these revenues started dropping in March and April, when gasoline was especially scarce. But the 6 percent sales tax on gasoline keeps rising with the price. The board estimates that Californians will pay some $178 million more in sales taxes on gasoline this year if present trends continue.

Newsmakers

Roos

Press

The Carter connection

The Jimmy Carter re-election campaign has selected Assemblyman **Mike Roos** of Los Angeles as its top gun in California. Roos may get plenty of help from his colleagues if Senator Ted Kennedy stays out of the race. A poll by Bob Schmidt of the Knight-Ridder Newspapers indicates that only a few Democratic lawmakers will support Jerry Brown . . . The dean of the Assembly, Speaker pro Tempore **John Knox** of Richmond, 54, announced that he will retire from the Legislature at the end of this term and join a San Francisco law firm . . . Senator **Albert S. Rodda** of Sacramento, 67, ended speculation he would retire by announcing his candidacy for another term.

Bill Press resigned as the Governor's director of planning and research, to head an initiative campaign to levy an excess-profits tax on oil companies. Press is expected to run against Republican Assemblyman **William Filante** of Marin County next year . . . Nuclear physicist **Edward Teller,** 71, announced that he will not run for the United States Senate in 1980 . . . Former state Senator **Arlen Gregorio,** defeated last November, is running for supervisor in a San Mateo County special election . . . Long-time political writer **Jerry Burns** is the new city editor of the *San Francisco Chronicle.*

Albert H. Bowker, chancellor of the University of California's Berkeley campus for a record nine years, will resign after the next academic year . . . **Martin Glick,** director of the state Employment Development Department, resigned to reenter the practice of law . . . Former Orange County Supervisor **Ralph Diedrich,** was given a 1-to-14 year prison term and fined $5,000 following conviction on bribery and conspiracy charges. He is appealing. To replace Diedrich, Governor Brown appointed **Edison Miller,** a former Marine Corps officer accused of collaborating with the North Vietnamese as a prisoner of war.

Joseph E. Bodovitz, conservation-minded former executive director of the California Coastal Commission, was named executive director of the state Public Utilities Commission . . . **William B. Cook,** a budget specialist in the San Francisco mayor's office, was appointed director of the California Arts Council by Governor Brown.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Rating the newspapers as political persuaders

By KENNETH RYSTROM

Are editorial endorsements by California newspapers worth the paper they are printed on? A major study of California elections from 1948 through 1962 and another study of the 1966 election concluded that newspaper editorials did exert measurable influence on voting, especially at the local level and on state ballot propositions. But those elections occurred when a majority of Americans still regarded newspapers as their major source of news. Now the Roper polls show that 65 percent of the public considers television its prime source of news.

Have newspapers also declined as political persuaders? To try to answer that question, a study somewhat along the lines of the earlier studies was made of endorsements and election returns in the November 1978 California general election.

In brief, the study showed:

- ***Endorsements*** apparently had some effect on ballot propositions but very little on statewide candidate races.
- ***Editorial positions*** seemed to have the most effect on Proposition 7, the death-penalty issue.
- ***Middle-of-the-road newspapers*** seemed to have more influence than liberal or conservative papers, and conservative papers seemed to have more influence than liberal ones.

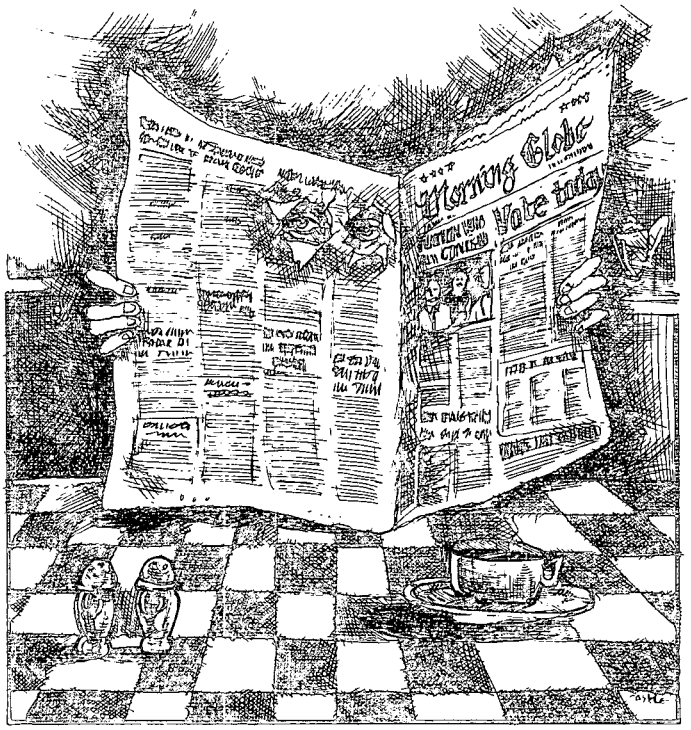
Thirty-six daily newspapers responded to a request for copies of their endorsement editorials, including most of the large papers in the state. Endorsements were tabulated for all eight ballot propositions and six statewide executive offices, but five of the propositions and two of the state races were eliminated, since the newspapers took virtually unanimous positions on them.

Natural inclinations

Of course it is not possible to assume that specific voter response resulted from individual editorial endorsements. Comparing voter percentages in the circulation areas of specific newspapers with state percentages does not produce very meaningful results, since natural voting inclinations of residents in various areas range widely.

Take San Francisco County as an example. This is a relatively liberal, pro-Democratic area. Consequently, when the *San Francisco Chronicle* opposed Proposition 7, which would have toughened the death penalty, it could be seen to have tremendous influence on voters: 55 percent of San Francisco County voters followed the *Chronicle's* recommendation to vote "no." Statewide, only 29 percent voted "no." On the other hand, the *Chronicle* appeared to have a negative impact on its readers' votes in the governor's race. It endorsed Evelle Younger, who polled 37 percent statewide but only 23 percent in the county.

Kenneth Rystrom teaches communications at the University of Redlands.



The *Chronicle* affords an extreme example of why the apparent impact of individual newspapers is not possible to measure using this approach. But apparent impact can be measured with some reliability when a number of newspapers are grouped to eliminate idiosyncracies of voting areas.

The study compared local vote percentages for endorsed candidates and propositions with statewide percentages. The results: In the local circulation areas of the 36 papers, the three controversial propositions ran, on the average, 4.21 percent ahead of the state average. But on the four candidate races, there was virtually no difference.

The proposition most affected by endorsements seemed to be Proposition 7. Local returns on the average ran 6.17 percent ahead of the state percentage. The next most affected issue apparently was Proposition 3, which authorized the sale of surplus highway right-of-way land in the coastal zone for recreational and scenic purposes at less than the current market value but at no less than the original cost. In this case the average percentage in the local areas exceeded the state percentage by 3.73 percent. In this instance voters seemed to be looking for endorsements for guidance on an issue they knew little about. The earlier studies found a similar pattern on little-noticed issues.

Proposition 2 seemed to fall into the same category. It

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

proposed to delete a constitutional provision authorizing the Public Utilities Commission to assign cases to individual commissioners. It too was unexciting and largely ignored. The average percentage in the local areas exceeded the state percentage by 2.72 percent.

In three of the four statewide races the average percentages in the circulation areas of the papers were practically identical to the state percentages — indicating no apparent overall influence on the voting. In the race between Jerry Brown and Younger, the difference was a mere one-hundredth of 1 percent. Apparent effects on the races for attorney general and lieutenant governor were about the same — virtually nonexistent.

Editors may be a little more encouraged by figures in the state treasurer's race. In the circulation areas of papers endorsing Jesse Unruh for re-election, the average local percentage ran 2.45 percent ahead of his state percentage.

A liberal-conservative breakdown of newspapers was also developed through the endorsement study. Here's how:

First, the four Democratic nominees were ranked from left to right in the order of increasing acceptability to the newspapers. This placed Yvonne Brathwaite Burke, running for attorney general, on the extreme left, as the least acceptable to the newspapers. She had five endorsements. Then came Mervyn Dymally for lieutenant governor, with seven endorsements; Brown with 15; and Unruh with 25.

Then three propositions were positioned among the candidates by using the same guidelines. The "yes" side of Proposition 2, the PUC measure, was placed between Burke and Dymally. This was done because the "no" endorsements had a high correlation with the endorsements of Burke and Dymally's more conservative Republican opponents. The "no" side of Proposition 7, clearly the more liberal side of the death penalty issue, with 20 endorsements, was placed between Brown and Unruh. The "yes" side of Proposition 3, with 30 endorsements, was placed at the right. The right half of the spectrum received the opposite side of each proposition, placed in the same order.

Then the papers were ranked: Those endorsing the most Democrats and the most liberal sides of the propositions were listed at the top. Those endorsing the most Republicans and conservative sides of the propositions were ranked at the bottom. The shift from liberal to conservative endorsements as one moves down the list is, of course, not uniform. But the pattern that emerges is fairly clear. (See table.)

Did readers follow newspaper endorsements in differing ways across the political battleground? On propositions, the most apparently influential were papers in the middle-ground. To a lesser extent, papers at the conservative end seemed to influence readers more than the liberal papers.

The governor's vote was examined in the same manner, but the results showed no significant difference among the groups. None of the papers exerted enough apparent influence to show up on a graph.

Political ratings of California Newspapers

How newspapers ranked on the political spectrum for last November's statewide election: The newspapers at the top of the list were rated the most liberal, based on seven possible endorsements, and those at the bottom were considered most conservative.

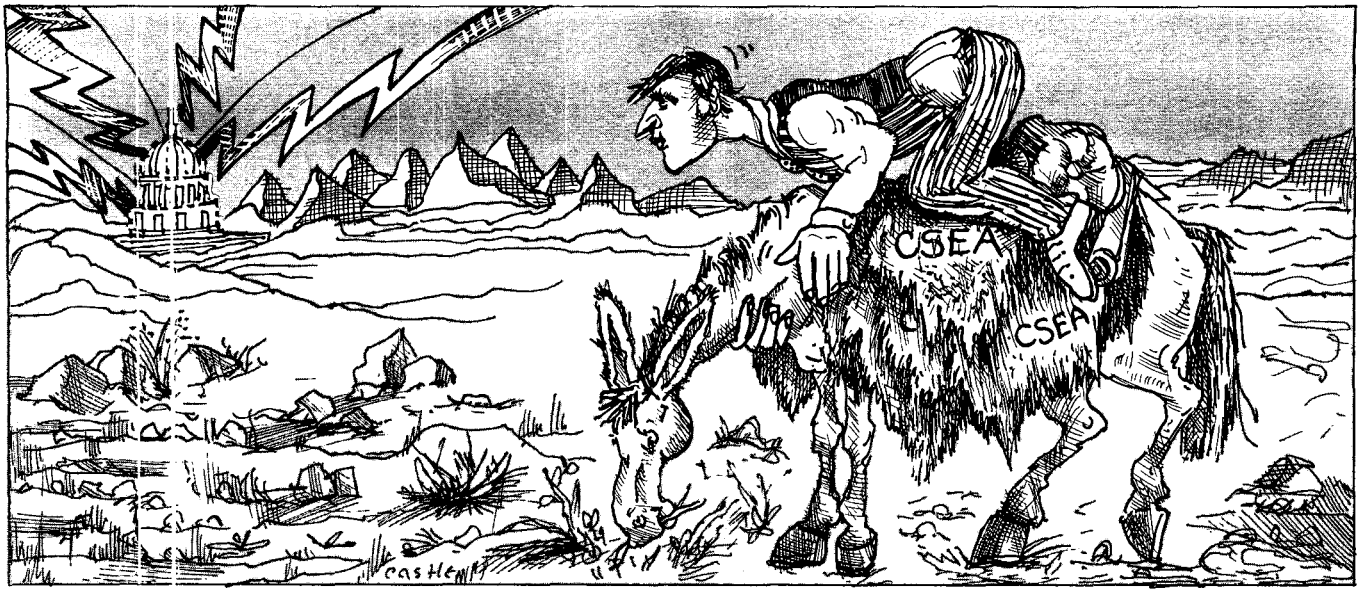
	Burke	Proposition 2 Yes	Dymally	Brown	Proposition 7 No	Unruh	Proposition 3 Yes	Deukmejian	Proposition 2 No	Curb	Younger	Proposition 7 Yes	French	Proposition 3 No
Fresno Bee	•		•	•	•	•	•		•					
Modesto Bee	•		•	•	•	•	•		•					
Sacramento Bee	•		•	•	•	•	•		•					
San Luis Obispo Telegram-Tribune	•		•	•	•	•	•		•					
San Jose Mercury-News		•	•	•	•	•	•	•						
Ventura County Star Free-Press		•		•	•		•							
Redding Record Searchlight		•		•	•	•	•	•						
Los Angeles Times	•				•	•	•		•					
Escondido Times-Advocate			•	•	•	•	•	•	•					
El Cajon Californian			•		•	•	•	•	•					
Riverside Press-Enterprise				•	•	•	•	•	•					
Santa Barbara News-Press					•	•	•		•					
Chico Enterprise-Record		•		•		•	•	•		•		•		
Los Angeles Herald-Examiner		•		•		•	•	•		•		•		
Vallejo Times-Herald				•										
Richmond Independent					•		•		•					
Berkeley Gazette					•		•		•					
Orange County Daily Pilot					•	•	•	•	•		•			
Ontario Daily Gazette		•				•	•	•		•	•	•		
Sacramento Union				•		•	•	•	•	•		•		
San Bernardino Sun				•		•	•	•	•	•		•		
San Francisco Chronicle					•	•	•	•	•	•	•			
Long Beach I. P.-T.						•	•	•	•			•		
Fullerton News Tribune				•		•		•	•			•		•
San Diego Tribune						•	•	•	•		•	•		
Oakland Tribune				•	•		•	•	•	•			•	
Palo Alto Times					•		•	•	•	•	•		•	
Palm Springs Desert Sun						•	•	•	•	•	•	•		
Bakersfield Californian						•	•	•	•	•		•		
Fontana Herald-News						•		•	•		•	•		•
San Mateo Times								•	•		•	•		•
Redwood City Tribune					•		•	•	•	•	•		•	
San Diego Union						•		•	•	•	•	•		•
Redlands Daily Facts							•	•	•	•	•	•		
Santa Monica Evening Outlook							•	•	•	•	•	•		
Torrance Daily Breeze								•	•	•	•	•		•

Possible explanations

- ***Why should newspapers*** toward the center of the field seem to exert more influence than those more liberal and more conservative? One reason might be that readers find middle-of-road endorsements easier to accept — more in line with their inclinations. Another reason might be that voters in the middle of the political spectrum, being neither extremely liberal nor extremely conservative partisans, are less interested and hence less informed in the political process. When the time comes that they finally get interested, just before an election, they may need information and guidance more than the partisans.
- ***Why should conservative*** papers have had more apparent influence in the 1978 election than liberal papers? If a conservative breeze were blowing in that election, as was commonly assumed, voters who felt the breeze might have found conservative endorsements more compatible with their current inclinations than liberal endorsements.
- ***Why should the papers*** as a whole have so little apparent effect on the candidate races? One explanation is that voters have easier ways of making decisions in these races — political party, personality, political image, record in office — than they do on impersonal ballot propositions. In 1978, most voters probably had made up their minds in the governor's race long before newspapers began endorsing. Nothing happened during the campaign to weaken Brown's early lead.

One final word should be added: The apparently limited effect of endorsement editorials resulted from a study of statewide issues and candidates only. As any school board or city council candidate will testify, a local paper's stands on local races and issues can be the pivotal factor.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED



LEGISLATURE'S DECLARATION OF INDEPENDENCE

Why Brown jumped into the budget inferno

By Ed Salzman

Why did Jerry Brown, fresh from an override defeat on retroactive pay for state employees, invite another embarrassing override by cutting the Legislature's appropriation for 1979-80 pay hikes for state workers? Why did Brown sign a budget that gave more money this year by percentage to welfare recipients than to state employees? At the climax of the fiscal battle, why did the Governor infuriate already-angered legislators by appointing to the Orange County board of supervisors Edison Miller, a former Marine officer accused of helping the North Vietnamese while a prisoner of war?

The answer is that Brown is now trying to woo the left while holding the right in his campaign to wrest the presidency from Jimmy Carter. By vetoing pay raises for public employees, he theoretically reinforced his image as a tight fist with a buck. By being relatively generous with welfare recipients and by appointing Jane Fonda's candidate to the Orange supervisors, Brown helped restore his once-decent connections with liberal elements around the country. Nationally, Brown has decided to take the anti-nuclear, pro-environmentalist position in the coming conflict over new energy supplies for the nation.

A distant constituency

Brown is not particularly concerned these days with making friends among state workers or California legislators. His constituency is 3,000 miles away where the citizens of New Hampshire, Massachusetts and other states will soon be voting in presidential primaries. He lost little nationally by being overriden on employee salaries. To those interested in cutting the cost of government, he looks like a martyr battling mobs of profligate spenders. Every conflict over spending in which he is on the conservative side is probably a plus in the East — regardless of the eventual outcome in Sacramento.

In the area of welfare, Brown can point out that the 14.5 percent increase voted by the Legislature still falls a bit short of meeting the cost-of-living increase mandated under California law. In fact, the state may lose money by not granting the full cost-of-living raise of 15.1 percent. That is because federal law now makes some blind, disabled and aged recipients eligible for food stamps, and the state will have to bear the cost of administering this new program.

Brown has been trying by every means possible to repair his damaged relationships with black leaders in California and across the country. Since welfare is an issue of great concern to blacks, Brown probably gained some credits by keeping the welfare appropriation untouched, even though he had originally proposed a much smaller expenditure.

The Legislature completed work on the budget and the local-government Proposition 13 bailout bill on July 20th, then recessed for a four-week vacation. It remained to be seen whether Brown would reduce the $4.85 billion bailout bill or leave it standing without change. The Governor had warned that current revenues might not be sufficient to meet the cost of the bailout bill in future years if the Legislature restored the pay raise cuts made by Brown. The state started the current fiscal year with a surplus of about $3 billion. The economy was in such an unsettled state that it was difficult to predict what the surplus might be at the end of the 1979-80 fiscal year, but it will probably be sufficient to maintain the current level of spending for at least one more year. After that, the well might run dry, especially if initiative campaigns to cut taxes are successful.

The three-stage battle

This year's battle of the budget came in three distinct stages. First there was the retroactive pay bill, then the basic budget, and finally the bailout bill. Because of the override attempts, it appeared during mid-July that lawmakers were voting on a major fiscal measure just about every day. Legislators this year didn't even make an attempt to meet the constitutional deadline of June 15th for passage of the budget. Predictions made long ago, that the package would not be completed until vacation getaway day, turned out to be accu-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The pay-raise puzzle

How much of a pay raise will state employees get this fiscal year? The answer depends on how the pay-raise measures adopted by the Legislature are interpreted and whether one feature of the salary package is ruled legal by the courts.

Here is how the pay raise breaks down:

- The first step was an appropriation of $208 million — equivalent to 7 percent of wages for nine months of the 1978-79 fiscal year, or 5.2 percent for a full year.
- The second step consists of $612 million in the budget for 1979-80. This is equivalent to 14.5 percent — assuming that the 5.2 percent retroactive grant is not taken into account. (With the 5.2 percent for the prior year deducted, the increase for this year is 9.3 percent.)

Had Governor Brown's vetoes not been overriden, state employees would have lost the $208 million in retroactive pay and/or $237 million out of the $612 million.

Brown claims state employees will get an increase of 19.7 percent this year because all the money from both measures will be distributed in this fiscal year. That could be changed, however, if the courts rule the retroactive appropriation unconstitutional.

Almost all the public discussion has been in terms of flat percentages. In fact, there are great variances in the amounts individual state employees will receive because the state Personnel Board bases increases on factors other than flat percentages. A $75 minimum monthly raise was also established to help low-income employees.

The Legislature gave California Highway Patrol officers special treatment, giving them 10 percent at the start of the fiscal year on July 1st and another 10 percent January 1st. This is the equivalent of 15 percent for the year but provides a 20 percent boost in the base at the start of next year's negotiations.

rate.

The Legislature pushed through the retroactive pay bill authored by Senator Alfred Alquist of San Jose despite the known opposition of the Governor. State workers mounted a massive campaign to convince lawmakers that they were cheated last year when they received nothing in the wake of Proposition 13 despite the heavy burden of inflation. State employees, who contribute heavily to political campaigns, had never mustered such strength in the Legislature before. They were successful largely because the Governor was anything but popular with legislators of both parties, and lawmakers were eager to declare their independence. Republicans even abandoned their traditional principle against high spending in favor of embarrassing Brown — if indeed that's what they did.

By an overwhelming vote, lawmakers sent Brown a retroactive-pay bill giving state workers the equivalent of 7 percent for the last nine months of the last fiscal year. Brown vetoed it on the grounds that retroactive pay is unconstitutional. The Legislature overrode him, and Howard Jarvis filed suit to have Brown upheld.

Following the override, lawmakers sent Brown a $16.6 billion budget that had relatively few controversial items. Brown cut back the 14.5 percent employee pay raise to 9.3 percent — eliminating about the same number of dollars as the retroactive-pay bill contained. He allowed welfare increases to hold at 14.5 percent but cut $291 million to bring the total down to $16.27 billion. Among the cuts: $42 million for a Republican-sponsored fee increase for doctors and other Medi-Cal health-service providers; $10 million for CalTrans to speed freeway construction, and a variety of relatively small reductions in appropriations of regulatory boards within the Department of Consumer Affairs.

Brown won a substantial increase for his pet agency, the Arts Council. The Energy Commission, not long ago in danger of being abolished, received a hefty boost because of the energy crisis. Lawmakers rejected Brown's request for $100 million to build new prisons. Funds were included to pay for the November 6th special election.

As was the case last year, the most emotional issue was a relatively small item in dollars — Medi-Cal abortions. Pro-choice and pro-life forces are about evenly divided in the Legislature, but it takes a two-thirds vote to pass a budget. Again this year, the pro-life legislators outmaneuvered the opposition. The budget contains provisions designed to reduce Medi-Cal abortions by about 90 percent, but it also includes funding under an agreement that the battle will be fought again under new rules. If the pro-choice forces can get a simple-majority bill through the Legislature to restore abortions, the issue will be considered settled. Otherwise, the restrictions will remain. This did not mean an automatic cutoff because it takes time to change regulations, and the pro-choice group still can employ delaying actions in court, as it did last year.

Hallett in trouble?

The budget fight in the Assembly endangered the newly won leadership post of Republican Carol Hallett. She tried to maintain a solid GOP front for cutting the budget before sending it to Brown, but there were enough defections from her Republican colleagues to send the bill to Brown's desk. Paul Priolo, whom Hallett replaced, was a leader in the move to break the GOP solidarity.

Brown's reduction of the employee pay raise was a close call in the Senate, where he came within one vote of winning. But it was a rout in the Assembly, where the leaders of both parties were against him. The appointment of Edison Miller played a role in the mood of the Assembly at this time. There were some who were outraged that a man viewed by some as virtually a traitor could be appointed, but Brown replied that Miller paid his dues and was entitled to a chance. There was also another issue: Some lawmakers wanted Brown to appoint a former colleague, Democrat Ron Cordova, instead of Miller. Over in the Senate, only five members supported Brown's appointment of Jane Fonda to the state Arts Council, and 28 went the other way. The Miller appointment probably was partially responsible for the lopsided vote.

At the start of the legislative session, Brown was seeking total state expenditures in the vicinity of $20.3 billion, including Proposition 13 bailout. By overriding the pay-raise vetoes and by passing a bailout measure somewhat higher than Brown sought, the Legislature dug about $1 billion deeper into the reserves than the Governor had anticipated. This put an end to serious talk about a tax cut this year and made it possible that the state in future years will not be able to meet the cost of the bailout measure, which is scheduled to increase every year — a projected $5.3 billion next year, compared to $4.85 billion this year, for example.

The 'long-term' bailout

Last year, the state spent $4.4 billion helping local government recuperate from the loss of some $7 billion in property taxes. That measure was designed only as a stopgap until lawmakers could develop a permanent financing plan. The 1979 package is labeled "long term" rather than permanent, indicating that there is probably much fine tuning yet to be done. Here are some of the key features of the bailout bill:

- ***The bill contains*** a "deflator" factor that would cut back the cost of the bill should state revenues fall short of

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The 'permanent' bailout plan

Here is a summary of the local-government bailout bill sent to Governor Brown by the Legislature on July 20th:

Total for the current fiscal year: $4.85 billion, up from $4.4 billion in last year's one-year stopgap measure.

Property tax shift: $757 million from schools to cities, counties and special districts (with the state providing reimbursement to the schools).

Schools (K-12 and county superintendents): up $673 million or 8.7 percent.

Community colleges: up $85 million or 7.4 percent.

Total cost of schools: $9.65 billion ($7.7 billion from the state, $1.9 billion from property taxes).

Cities: down 17 percent from $250 million to $207 million.

Counties: unrestricted grant down from $436 million to $312 million. Health and welfare increase up $228 million to $1.3 billion. Total increase up 24 percent.

Special districts: $200 million to be allocated by counties, up $10 million or 5 percent.

expectation in any given year. The schools would be hurt more than any other segment of local government if the deflator were activated.

- ***Schools and counties*** did better than cities and special districts in the distribution of funds (see box).
- ***The bill*** was written in such a way by a conference committee headed by the author, Assemblyman Leroy Greene of Sacramento, that any cuts would have to come out of schools.
- ***An effort was made*** to distribute school funds so that the state would come closer to meeting the standards of the *Serrano* decision (requiring nearly equal dollar support behind each pupil).
- ***Cities were cut*** back because they emerged from Proposition 13 in exceptionally good health.
- ***Few strings*** were attached to the expenditure of funds, unlike last year's measure (which prevented cutback of police and fire service, for example).
- ***Counties did*** especially well because the state took over the cost of some health-and-welfare programs that are becoming increasingly expensive.
- ***Special districts,*** which complained that they did not get nearly enough state support last year, received only a token increase.

Sailing through

Compared to the conflict over pay raises for state employees, the bailout bill went sailing through the Legislature with relative ease. Republicans protested that the total cost was too high, but how convincing could they be after voting to boost state spending some $430 million by overriding Brown's pay-raise vetoes?

Who were the winners and losers in the marathon fiscal struggle? State workers went home with pay increases beyond their dreams. Legislators felt good because they told Jerry Brown what they think of him. How well Brown did depends on how voters in the East react to his lone battle against a free-spending Legislature and his born-again liberalism on non-fiscal issues. The biggest winner was probably Howard Jarvis, who now can tell voters that they should support his new initiative to cut state income taxes in half because the "popcorn balls" in Sacramento still haven't received the message of Proposition 13.

Selected Government Reports

The California Water Atlas, prepared by the Governor's Office of Planning and Research, in cooperation with the California Department of Water Resources. July 1979. 124 oversized (16 x 18) pages offer facts, maps, history and photographs of the state's water supply. Available from General Services, Publications Section, P.O. Box 1015, North Highlands, CA 95660. ($42.25, hardcover, including tax and mailing)

Bureaucrats and Brainpower: Government Regulation of Universities, by the Institute for Contemporary Studies. 1979. 171 pp. Available from the Institute, 260 California St., San Francisco, CA 94111. ($6.95, soft cover)

State Legislative Leadership, Committees and Staff, 1979, by The Council of State Governments, Iron Works Pike, Lexington, Ky. 40578. Contains names, addresses and telephone numbers of all legislative leaders and committee and staff members in all U.S. state and territorial legislatures. 206 pp. Available as RM-664 from the Council. ($13.00, soft cover)

Selected Bibliography on State Government, 1973-1978, by The Council of State Governments (address above). 1979. Updated edition covers a wider range of sources than previous issues and contains indexes by both subject area and author. 148 pp. Available as RM-663 from the Council. ($12.00, soft cover)

Capturing the Sun's Energy: Opportunities for Local Government, by Western Solar Utilization Network, California Office; part of a joint program with the U.S. Department of Energy and the western states. Available from Solarcal, 921 10th St., Sacramento, CA 95814.

Today, Tomorrow: Report of Citizens Committee on U.S. Forest Service Management Practices in California. 81 pp. Available from the Resources Agency, 1416 9th St., Sacramento, CA 95814.

Politics Backstage: Inside the California Legislature, by Michael J. BeVier. 277 pp. Available from Temple University Press, Philadelphia, PA 19122. ($15.00, hardcover)

Present Value: Constructing a Sustainable Future, by the state Office of Appropriate Technology. Discusses energy-conserving technologies in home-building and provides solutions to potential problems. 46 pp. Available from OAT, State of California, 1530 Tenth St., Sacramento, CA 95814. (Single copies free.)

Experiment and Change in Berkeley: Essays on City Politics 1950-75, Harriet Nathan and Stanley Scott, editors; published by the Institute of Governmental Studies, U.C. Berkeley. 1978. A retrospective look at civic, political, social and environmental change in Berkeley. 500 pp. Available from the Institute, 109 Moses Hall, University of California, Berkeley, CA 94720. ($10 plus tax, payable to The Regents of the University of California.)

Changes in the Financial Services Industry in California, by David H. Pyle, commissioned by the California Policy Seminar, and published by the Institute of Governmental Studies, U.C. Berkeley. 1978. 17 pp. Available from the Institute, 109 Moses Hall, University of California, Berkeley, CA 94720. ($3.00 plus tax, payable to The Regents of the University of California.)

Environmental Chemicals Causing Cancer and Genetic Birth Defects: Developing A Strategy to Minimize Human Exposure, by Bruce N. Ames, published for the California Policy Seminar by the Institute of Governmental Studies. 1978. 28 pp. Available from the Institute, University of California, Berkeley, CA 94720. ($3.50)

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Override fever

In five years as governor, Jerry Brown now has seen his vetoes overriden more times than all other modern-era chief executives combined. Earl Warren, Goodwin J. Knight, Pat Brown and Ronald Reagan lost two veto battles with the Legislature — one by Warren and one by Reagan. Jerry Brown has lost several veto conflicts, and there are indications that there will be more before he finishes his second term as governor.

The first override was one that Brown probably wanted — on capital punishment. But he sought to sustain the vetoes at issue this year — on pay raises for state employees and on a bill preventing banks from selling certain types of insurance. Brown lost for a variety of reasons — his lack of popularity among lawmakers, Republican efforts to damage his presidential campaign, and good lobbying efforts by state employee organizations and insurance agents.

Perhaps it can be expected that a governor's veto will be overridden on an issue of major consequence or one pitting legislative against executive authority. But the insurance measure hardly fit the mold. It pitted two potent economic interests against one another — banks versus insurance agents — and Brown opted in favor of greater competition. He lost primarily because the author of the bill, Assembly Rules Committee chairman Louis Papan, an insurance agent, marshalled forces both inside and outside the Legislature with extraordinary zeal. Had the Legislature not been eager to deal out an embarrassing blow to the Governor, however, the override would not have been approved.

Brown probably spared himself another override by signing legislation calling a special election in November on the Gann "Spirit of 13" initiative to limit government spending and the anti-busing measure sponsored by Senator Alan Robbins of the San Fernando Valley. A few other matters will probably also make their way onto the November ballot.

The Governor also signed into law a $1 billion mass-transit bill designed to improve bus and rail service over a five-year period. The bill, authored by Senate President pro Tempore James Mills, would distribute about $300 million over the next three years for local and state transit programs. The remaining $700 million will be allocated by the Legislature. The program will be funded in part by the windfall sales-tax revenues produced by rising gasoline prices.

Senate (24D, 16R)	SB 1031 AB 580 SB 539 SB 931 SB 91	SB 504 SB 190 SB 90 SB 1183 SB 217		SB 1031 AB 580 SB 539 SB 931 SB 91	SB 504 SB 190 SB 90 SB 1183 SB 217
Alquist (D)	YYYNY	YNNNY	Montoya (D)	YYNNY	NYYYN
Ayala (D)	YYNYY	NYYYN	Nejedly (R)	*Y***	***Y*
Beverly (R)	YYYYY	YY**Y	Nielsen (R)	*YNYY	YYYNY
Briggs (R)	NYNYY	YNYNY	Nimmo (R)	*YNYY	YYYYY
Campbell (R)	YYNYY	YYYNY	Petris (D)	YYYNY	NYNY*
Carpenter (D)	YYNNY	NNYYY	Presley (D)	YYNYY	NYYYY
Craven (R)	N*NYN	YYYYY	Rains (D)	YYNNY	YYNYN
Cusanovich (R)	NYNYY	YYYNY	Richardson (R)	*YNYY	YNYNY
Dills (D)	YYNNY	*YNNN	Robbins (D)	YYYYY	YY*YY
Foran (D)	*YYYY	*YYYN	Roberti (D)	*NYNY	NYYYN
Garamendi (D)	YYN*Y	YYNYY	Rodda (D)	YY*N*	*YNYY
Garcia, A. (D)	**NNY	NY***	Russell (R)	NYNYY	YNYYY
Garcia, M. (R)	NNYYY	YNNNY	Schmitz (R)	N*NYN	YNYNY
Greene, (D)	YY*N*	*YNYN	Sieroty (D)	YYYN*	NYNYN
Holmdahl (D)	NNNYN	NYN**	Smith (D)	YNNY*	NYNYY
Johnson (R)	YYNYY	YYY*Y	Speraw (R)	NYNY*	YNYNY
Keene (D)	Y*YNY	*NN*N	Stiern (D)	NYNNY	YYNY*
Maddy (R)	NYNYY	YN*N*	Vuich (D)	YYNYN	YYNYY
Marks (R)	Y*YNY	*YNYN	Watson (D)	YNYNY	NNNYN
Mills (D)	YN*YN	NY*YN	Wilson (D)	NYNNN	YNYYY

VOTING RECORDS

Listed here are the votes of legislators on recent major roll calls through mid-July. Votes selected involve issues of major importance and issues on which there was a major division of opinion, or both.

Y - Yes **N - No**
*** — Absent or not voting**

A ⅔ vote is required for urgency measures, constitutional amendments, and appropriations.

Assembly: 41 votes required for passage of bills needing a simple majority. (⅔ = 54 votes)

Senate: 21 votes required for passage of bills needing a simple majority. (⅔ = 27 votes)

Correction

In last month's voting records, the bill numbers over two columns of Assembly votes were incorrect. The bills over the first and fourth columns should have carried the same numbers as the second and third columns, which were correct.

Senate

BUSINESS AND PROFESSIONS

SB 1031 (Smith)— Changes State Bar dues structure and places four public members appointed by Legislature on the board of governors. Passed, 22 - 11.

AB 580 (Papan)— Prohibits banks from selling most forms of insurance. Governor's veto overridden 29 - 6.

CRIMINAL JUSTICE

SB 539 (Sieroty)— Repeals registration requirements for minor sexual offenses. Failed, 11 - 25.

SB 931 (Nielsen)— Establishes procedure for legalization of wiretapping in narcotics and organized-crime investigations. Passed, 22 - 16.

EMPLOYMENT

SB 91 (Alquist)— Appropriates $208 million for retroactive pay increase equivalent to 7 percent for nine months to state employees. Governor's veto overridden, 28 - 6.

SB 504 (Nimmo)— Prohibits agricultural employer or union from discriminating against a worker for non-membership in a labor organization. Passed, 21 - 12.

FINANCE

SB 190 (Rodda)— Annual budget, totaling $16.6 billion. Passed, 27 - 12.

SB 90 (Rodda)— Budget bill. Vote on amendment to restrict Medi-Cal abortions. Passed, 18 - 16.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

MISCELLANEOUS

SB 1183 (Garamendi)— Requires state to investigate possible consequences of a nuclear powerplant accident and to prepare response plans. Urgency clause defeated, 24-11 (27 votes required).

SB 217 (Robbins)— Calls special election on November 6th for vote on the Gann government-spending initiative and a constitutional amendment designed to curtail student busing. Passed, 22-12.

Assembly

CRIMINAL JUSTICE

AB 2 (Berman)—Reforms the bail system by allowing defendants in misdemeanor cases to provide refundable cash deposits with the courts. Passed, 41-31.

AB 546 (Mori)— Creates the crime of spousal rape. Passed, 55-16.

ELECTIONS

SB 217 (Robbins)—Requires a special election on November 6th for vote on the Gann spending-limitation initiative and a constitutional amendment designed to restrict school busing. Passed, 55-19.

EMPLOYMENT

SB 91 (Alquist)— Appropriates $208 million for a retroactive salary increase for state employees. Governor's veto overridden, 59-16.

AB 838 (Mori)— Repeals provision that a collective-bargaining agreement must exist for farm workers to file a valid decertification petition. Passed, 48-22.

FINANCE

SB 190 (Rodda)— Annual budget bill appropriating $16.6 billion for the 1979-80 fiscal year. Passed, 56-23.

HEALTH AND WELFARE

AB 157 (Berman)— Provides patients access to certain medical records. Passed. 41-35.

AB 1030 (Rosenthal)— Prohibits doctors and medical groups from buying expensive equipment without state approval. Failed, 22-51.

TRANSPORTATION

SB 1209 (Foran)— Allows refiners to add butane to gasoline so that more gas can be produced. Urgency clause defeated, 47-31 (54 votes needed).

SB 1210 (Foran)— Allows refiners to increase the quantity of lead in gasoline. Urgency clause defeated, 51-27 (54 votes needed).

MISCELLANEOUS

AB 197 (McCarthy)— Requires that prospective judges be screened by the State Bar. (This is designed to prevent a lieutenant governor from making hasty appointments during the governor's absence from the state.) Passed, 53-19.

AB 992 (Goggin)— Requires nuclear power plants to monitor radioactive air pollutants. Failed, 30-42.

Assembly (50D, 30R)	AB 2	AB 546	SB 217	SB 91	AB 838	SB 190	AB 157	AB 1030	SB 1209	SB 1210	AB 197	AB 992
Agnos (D)	Y	Y	N	Y	Y	Y	Y	Y	N	N	Y	Y
Alatorre (D)	*	Y	Y	Y	N	Y	Y	Y	N	N	Y	Y
Bane (D)	Y	Y	Y	Y	Y	Y	Y	*	Y	Y	Y	N
Bannai (R)	N	Y	Y	Y	Y	N	N	Y	Y	Y	N	N
Bates (D)	Y	Y	N	Y	N	Y	Y	Y	N	N	Y	Y
Bergeson (R)	N	Y	Y	N	Y	Y	N	N	Y	Y	Y	N
Berman (D)	Y	Y	N	Y	Y	Y	Y	Y	N	N	Y	Y
Boatwright (D)	N	N	Y	*	*	Y	Y	Y	Y	Y	Y	N
Bosco (D)	Y	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	N
Brown, D. (R)	N	*	Y	N	Y	N	N	N	Y	Y	N	N
Brown, W. (D)	Y	Y	N	N	N	Y	N	N	Y	Y	Y	N
Calvo (D)	Y	Y	Y	Y	N	Y	Y	N	N	N	Y	Y
Chacon (D)	Y	Y	N	Y	N	Y	*	N	N	*	Y	N
Chappie (R)	Y	*	*	Y	Y	N	N	*	Y	Y	N	N
Cline (R)	N	Y	Y	Y	N	N	N	Y	Y	N	*	N
Costa (D)	Y	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	N
Deddeh (D)	N	Y	Y	N	Y	N	N	N	Y	Y	N	N
Duffy (R)	N	N	*	Y	Y	N	N	Y	Y	N	N	*
Egeland (D)	Y	Y	Y	N	N	Y	N	N	Y	N	Y	N
Elder (D)	Y	*	Y	N	*	Y	N	N	Y	Y	N	N
Ellis (R)	Y	Y	Y	Y	N	N	Y	Y	N	N	Y	N
Felando (R)	N	*	Y	N	N	N	N	Y	Y	N	Y	N
Fenton (D)	*	Y	Y	N	Y	Y	Y	Y	Y	Y	*	N
Filante (R)	*	Y	Y	Y	*	*	N	Y	*	Y	Y	Y
Frazee (R)	Y	N	Y	N	Y	N	N	Y	Y	N	N	N
Gage (D)	Y	Y	N	N	Y	Y	Y	*	N	N	Y	Y
Goggin (D)	Y	Y	*	Y	N	Y	Y	N	N	Y	Y	N
Greene (D)	Y	*	Y	Y	*	Y	Y	*	Y	*	Y	N
Hallett (R)	N	*	Y	Y	N	N	N	Y	Y	N	N	N
Hannigan (D)	Y	Y	N	Y	Y	Y	N	Y	Y	Y	Y	Y
Harris (D)	Y	Y	N	Y	N	Y	N	N	Y	Y	N	N
Hart (D)	Y	Y	Y	*	Y	Y	N	Y	Y	N	Y	N
Hayden (R)	Y	Y	Y	*	N	N	Y	Y	N	Y	N	Y
Hayes (R)	N	Y	Y	Y	N	N	N	Y	Y	N	N	N
Hughes (D)	N	Y	N	Y	N	Y	Y	N	N	Y	Y	N
Imbrecht (R)	N	Y	Y	N	N	N	Y	*	N	Y	N	N
Ingalls (D)	N	N	Y	Y	Y	N	N	Y	N	N	Y	N
Ivers (R)	N	N	Y	N	Y	N	N	N	Y	N	Y	N
Johnson (R)	N	N	Y	N	Y	N	N	N	Y	N	Y	N
Kapiloff (D)	Y	Y	N	Y	Y	Y	Y	N	N	Y	Y	N
Kelley (R)	N	Y	Y	N	Y	N	N	Y	Y	N	Y	N
Knox (D)	Y	Y	N	*	N	Y	N	Y	Y	N	Y	N
Lancaster (R)	N	N	Y	Y	Y	N	N	Y	Y	N	Y	N
Lehman (D)	N	N	Y	Y	Y	Y	Y	Y	N	Y	Y	N
Leonard (R)	N	Y	Y	Y	Y	N	Y	Y	N	N	Y	N
Levine (D)	Y	Y	N	Y	N	Y	Y	Y	N	N	Y	N
Lockyer (D)	Y	Y	Y	N	N	Y	N	N	N	Y	Y	N
Mangers (D)	Y	*	Y	*	Y	Y	N	N	N	Y	Y	N
McAlister (D)	N	Y	Y	Y	Y	N	Y	Y	N	N	Y	N
McCarthy (D)	Y	Y	N	Y	Y	Y	Y	*	N	N	Y	N
McVittie (D)	Y	Y	*	Y	Y	Y	N	N	Y	Y	N	N
Mello (D)	*	Y	Y	Y	Y	Y	N	Y	N	N	Y	N
Moore (D)	*	Y	N	Y	N	Y	Y	*	N	N	Y	*
Moorhead (R)	N	Y	Y	Y	Y	Y	Y	Y	N	N	Y	N
Mori (D)	Y	Y	N	Y	Y	Y	Y	Y	N	N	Y	N
Mountjoy (R)	N	N	Y	N	Y	N	N	Y	N	N	Y	N
Naylor (R)	N	Y	Y	N	Y	N	N	N	Y	Y	N	N
Nestande (R)	N	N	Y	*	*	Y	Y	N	N	Y	N	N
Nolan (R)	N	*	Y	N	Y	N	N	Y	N	N	Y	N
Papan (D)	Y	N	Y	Y	*	Y	N	Y	N	N	Y	N
Perino (D)	N	Y	Y	Y	Y	Y	Y	N	N	N	Y	N
Priolo (R)	Y	Y	Y	Y	Y	N	Y	N	N	N	Y	N
Robinson (D)	Y	Y	Y	Y	Y	Y	*	Y	Y	Y	Y	N
Rogers (R)	N	N	Y	N	Y	N	N	Y	N	N	Y	N
Roos (D)	Y	Y	*	Y	Y	Y	N	N	N	N	*	N
Rosenthal (D)	Y	Y	N	Y	N	Y	Y	N	N	N	Y	N
Ryan (R)	Y	Y	Y	Y	Y	Y	N	N	N	Y	Y	N
Statham (R)	N	N	*	Y	Y	N	Y	N	N	Y	N	N
Stirling (R)	N	N	Y	Y	Y	N	N	Y	Y	N	Y	N
Tanner (D)	Y	Y	N	Y	N	Y	Y	Y	N	N	Y	N
Thurman (D)	N	Y	*	Y	Y	Y	N	Y	N	N	Y	N
Torres (D)	*	Y	Y	N	Y	Y	N	N	N	N	Y	N
Tucker (D)	Y	N	Y	N	Y	Y	N	N	N	N	Y	N
Vasconcellos (D)	Y	Y	Y	N	Y	Y	N	N	N	N	Y	N
Vicencia (D)	*	Y	Y	*	*	Y	*	*	*	*	*	*
Waters, M. (D)	*	Y	N	Y	Y	Y	N	N	N	N	Y	N
Waters, N. (D)	Y	Y	Y	Y	Y	Y	N	Y	N	N	Y	N
Wray (D)	Y	*	Y	N	Y	Y	N	N	N	N	*	N
Wyman (R)	N	N	Y	Y	Y	N	N	Y	Y	N	Y	N
Young (D)	Y	Y	Y	*	Y	Y	N	N	N	N	Y	N

ROSTRUM

Interpreting statistics

I appreciated the article in the July *Journal* which printed highlights of the Fair Political Practices Commission's 1978 California General Election Spending Report.

The article implied, however, that the data in the report may not support my contention that, "In almost every case, candidates who spent the most money won, and invariably, it was the incumbents who were able to raise the most money to wage successful campaigns."

That contention was based on the following facts:

- For the 80 Assembly races, winners (including winners unchallenged by a major party candidate) outspent losers in 70 (88 percent) of the races, and losers outspent winners in only 10 (13 percent).
- For the 20 Senate races, winners (including the single unchallenged winner) outspent losers in 19 (95 percent), and losers outspent winners in 1 (5 percent).
- In Assembly races, there were 58 incumbents who won, and of those 58, 53 (91 percent) outspent their opponents.
- In Senate races, there were 16 incumbents who won (including three Assembly incumbents running for Senate seats and one Senate incumbent who was not challenged by a major party candidate), and of those 16, 15 (94 percent) outspent their opponents.

I believe these facts provide clear justification for my statement.

Regardless of how one interprets the data, you are to be complimented for publishing an article which presented complicated campaign spending information in a very concise and understandable fashion.

TOM K. HOUSTON
Chairman, Fair Political
Practices Commission

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

CHARTING THE LEGISLATURE

The following is a list of significant bills pending before the Legislature on July 16th.

SUBJECT	BILLS	DESCRIPTION	STATUS
BAIL	AB 2 (Berman)	Changes the current bail system to provide a 10% bail deposit in misdemeanor cases.	*Senate Finance Committee.*
BUSING	SB 217 (Robbins)	Calls special statewide election November 6, 1979 for voter consideration of a constitutional amendment to limit busing and the Gann spending-limitation initiative.	*Signed by Governor.*
CHILD CUSTODY	SB 477 (Smith) AB 1480 (Imbrecht)	SB 477 would permit courts to award custody of children jointly to divorced parents. AB 1480 would require courts to give preference to the awarding of joint custody.	*SB 477 was signed by Governor. AB 1480 is pending in the Senate Judiciary Committee.*
CRIMINAL JUSTICE	SB 133 (Robbins)	Authorizes juveniles in the custody of the California Youth Authority to participate in supervised visits to adult prisons.	*Assembly Criminal Justice Committee.*
EMPLOYMENT	AB 1 (Agnos)	Prohibits discriminatory employment practices based upon a person's sexual orientation or the refusal to grant sexual favors.	*Approved by the Assembly Labor, Employment and Consumer Affairs Committee.*
ENERGY	SB 778 (Keene)	Abolishes the state Energy Commission, transfers certain energy functions to the Public Utilities Commission, and creates a new Department of Energy.	*Defeated by Assembly Resources, Land Use and Energy Committee.*
	SB 1183, 1184, 1185 (Garamendi)	Revises state and local nuclear powerplant emergency response plans, requires nuclear powerplants to establish a system of fixed off-site radiation monitoring devices, and requires the Energy Commission to develop an alert system for nuclear powerplants.	*SB 1183 was defeated on the Senate floor. SB 1184 and 1185 were rejected in the Senate Energy and Public Utilities Committee.*
GASOLINE	SB 320 (Alquist)	Allows a $1.00 credit against motor vehicle fuel taxes for the use of gasohol.	*Rejected by Assembly Transportation Committee.*
HEALTH CARE	SB 610 (Greene)	Increases Medi-Cal reimbursement rates for emergency-room physicians.	*Assembly Ways and Means Committee.*
MINORS	SB 70 (Roberti)	Increases parental liability for the willful misconduct of a minor from $2,000 to $5,000 per incident.	*Signed by Governor.*
REALTORS	AB 802 (Agnos)	Requires real estate brokers to disclose to home buyers that the commission on the sale of a home is not fixed by law.	*On Senate floor.*
RENTER RELIEF	SB 164 (Wilson) SB 251 (Marks) AB 15 (Roos)	Under these measures, the renter's income tax credit is increased from $37 to $100 per year in SB 164, to $67 per year in SB 251, and to $87 per year in AB 15.	*Assembly Revenue and Taxation Committee defeated SB 164. SB 251 and AB 15 are pending in the Assembly Ways and Means Committee.*
STATE EMPLOYEES	SB 91 (Alquist)	Appropriates $208 million for a retroactive salary increase for state employees.	*Governor's veto overridden by legislature.*
TAXATION	AB 66 (Lockyer)	Repeals the business inventory tax.	*Senate Revenue and Taxation Committee.*
	AB 276 (Bergeson)	Provides for the annual indexing of income tax brackets so that taxpayers will not automatically move into higher tax brackets as inflation increases their salaries.	*Senate Revenue and Taxation Committee.*
	AB 227 (Chappie)	Revises definition of general-fund reserves enacted by last year's local government funding bill, eliminates the general fund reserve reduction for cities formed during or after the 1977 - 78 fiscal year, and appropriates state funds to two cities incorporated during the 1978 - 79 fiscal year.	*Vetoed by Governor.*
UNEMPLOYMENT BENEFITS	AB 325 (McAlister)	Increases unemployment benefits and the amount an employee must earn during the 12-month base period in order to qualify for such benefits.	*Both measures are pending in the Senate Industrial Relations Committee.*
	AB 705 (Robinson)	Limits unemployment benefits for students.	

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

By Leo Rennert

Here come the judges

While Jimmy Carter labors to become a "born-again" president, Jerry Brown is quietly putting the finishing touches on battle plans for their first two encounters for the 1980 nomination — in Iowa and New Hampshire. The California governor is proceeding on the assumption that Carter's efforts at political resurrection will fail as the economy worsens and energy problems continue to fester. By the time the actual delegate contests get under way, Brown strategists expect Carter to be a remarkably weak and vulnerable opponent. Even at this point, they're far more concerned about Senator Edward Kennedy's plans.

IF KENNEDY IS STILL A HOLDOUT in Iowa's January caucus battle, the Brown camp has figured out a strategy that should make the Massachusetts senator a stalking horse for California's governor — not the other way around. The Iowa fight now shapes up as a two-way affair between Carter loyalists and a slate of uncommitted delegates. Brown won't field his own slate because, in a three-way race, he might very well end up third. Instead of taking this unnecessary risk, he plans to throw his support behind the uncommitted slate. There's talk about at least one Brown visit to Iowa before January. Basically, Brown will identify himself just enough with the uncommitted anti-Carter slate to claim credit if it wins but let others reap the loss if Carter comes out on top. In the meantime, Kennedy supporters in Iowa will have no choice but to join the ABC (Anyone But Carter) movement. Thus, votes by Kennedy supporters for uncommitted delegates easily could redound to Brown's advantage, particularly if Kennedy still keeps himself aloof from the nomination fray at that point. The way Brown has it figured out, in Iowa at least, if you're for Kennedy you'll have to play into the governor's hands.

By now, Brown is a veteran at such maneuvering. He did it effectively in 1976 in New Jersey, when he backed a hybrid uncommitted slate that actually was put together by Hubert Humphrey supporters. When this motley group prevailed against Carter, the media winner was Brown.

Another act from his 1976 repertoire that Brown is expected to revive in Iowa is a subtle, yet potent, appeal to Catholic voters. As a former seminarian, Brown raced through Maryland four years ago, reminding its heavy Catholic population at every stop of his religious background. It proved a highly successful tactic against Baptist Carter and it was just muted enough that it didn't rile other religious groups. In mapping plans for Iowa, Brown strategists already have made the significant demographic discovery that it has a sizeable Catholic population.

The Brown forces also are working hard to position themselves to make a strong appeal to Iowa's farm interests. It's no great coincidence that, after starting out as a big champion of farm workers and land reformers, Brown gradually has made his peace with California's big agribusiness interests, which can give him an entree to influential growers in other states, including Iowa. Thus, come next January, Brown may be able to capitalize on widespread discontent in the Midwest farm belt with Carter's agricultural policies — with help from key Iowa supporters lined up by his California agribusiness connections.

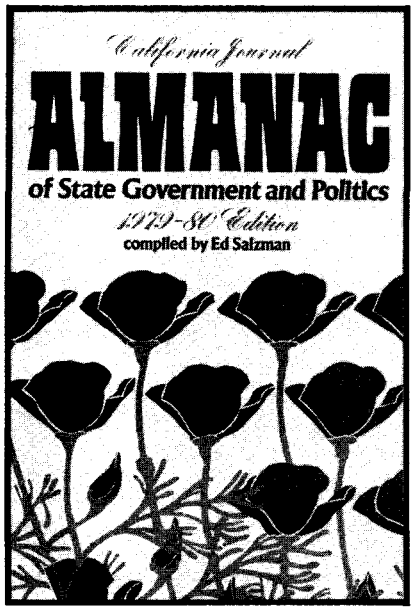
Seeds planted by Brown in California also may flower in New Hampshire, where the Clamshell Alliance is an active constituent of the national anti-nuclear movement. Again, it wasn't just coincidence that the Brown camp's first full-fledged scouting mission to New Hampshire began on July 4th — less than a week after the governor showed up at a nuclear-protest rally near San Luis Obispo and categorically opposed the opening of the Diablo Canyon nuclear power plant. Diablo Canyon has become a holy cause for anti-nuclear activists throughout the nation. If after an investment of almost $2 billion, Diablo Canyon never produces a single kilowatt, they're convinced the atomic industry will have been dealt a staggering blow everywhere. That's why the Clamshell Alliance was furious earlier this year at Brown when he peddled only his balanced-budget amendment on a visit to New Hampshire and brushed aside questions about Diablo Canyon. Right after the Three Mile Island accident, when he still offered more rhetoric than substance, California activists even threatened to stage lie-downs on New Hampshire airfields to prevent his landing there during the primary campaign. The San Luis Obispo declaration was the price the governor had to pay for a warmer New Hampshire welcome.

THE BROWN CAMP also is counting on two other favorable factors in New Hampshire — a frugal electorate in tune with his fiscal conservatism and a sharp concern, bordering almost on panic, about home-heating oil supplies and prices next winter. Even if Carter manages to channel enough heating fuel to New England in the months immediately preceding the primary, the price is still expected to go through the roof. New Hampshire television viewers may be treated to Brown political commercials next January and February that simply compare the cost of heating oil in 1976, when Carter first campaigned there, with the price four years later.

Brown's political high-command is betting that Kennedy will stay out and not mess up all these carefully laid plans. But there's clearly a lot of nervousness about the senator's intentions. Tom Quinn, the governor's chief political adviser, met here recently with a Kennedy aide. Perhaps it says something about the outward bravado of the Brown operation — and its inner fears — that one of the governor's men at that session magnanimously offered Kennedy the No. 2 spot on a Brown ticket.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Inflation-free shopping from the California Journal Press



We're doing our part to reduce inflation. Prices of **California Journal** books have not been raised in the past two years. Take, for example, the **California Journal Almanac of State Government and Politics.** The 1979-80 edition is being sold at the same price as the last edition, $4.19 a copy, including tax.

The **Almanac** is the handy reference book that tells you at a glance almost anything you would want to know about current California politicians, the state's population, election results and even elected officials in other states. It belongs on the desk of anyone who is dealing with state government or who has an interest in state government and politics — and that means virtually every **Journal** reader. The **Almanac** contains photographs and biographies of the state's top executives, legislators and members of Congress, legislative and congressional district maps and descriptions, and even listings of members of the Third House and Fourth Estate.

Other inflation fighters

A great gift that entertains as it informs: **The Cartoon History of California Politics,** by Ed Salzman and Ann Leigh Brown, a 156-page book containing more than 100 drawings illustrating California's fascinating political history. Price: $5.25.

A look at the inner workings of California government: **California Public Administration,** by T. Anthony Quinn and Ed Salzman, describes how decisions are made in all branches of government. Price: $5.25.

The Whole Brown Catalog: **Jerry Brown: High Priest and Low Politician,** by Ed Salzman, with cartoons and photos. Price: $3.13.

An indictment of the industry that helped Brown hide the 1974 gubernatorial campaign: **Phantom Politics: Campaigning in California,** by Mary Ellen Leary, a 191-page paperback book describing media coverage of California politics. Price: $6.31.

A thoughtful analysis of contemporary problems in the press: **Reporting: An Inside View,** by Lou Cannon, a 320-page book by the Journal's long-time Washington columnist. Hardback, $10.55; softbound, $5.25.

A reference book on the various elements of state government: **A Guide to California Government,** published by the League of Women Voters of California. $3.50.

Use the handy card in this magazine to place orders. Or just write your own order and send it with payment (Visa and Master Charge numbers accepted) to **California Journal Press,** 1617 10th St., Sacramento 95814.

(All prices include tax.)

There's very little difference between politics and show business. One day you're drinking the wine and the next day you're picking the grapes.

— Bob Hope

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED